

Annual Report on Electricity and Natural Gas Markets of the Republic of Lithuania to the European Commission

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1. FOREWORD

The year 2025 was significant in terms of the internal transformation of the National Energy Regulatory Council (hereinafter referred to as NERC): the implementation of a change in the operating model and the approval of a new organisational structure strengthened the ability of NERC to promptly respond to market changes, to develop its expertise in digitalisation and data analysis, and to implement its long-term strategic objectives in a focused manner. At the same time, the institution's areas of responsibility have expanded: NERC has been entrusted with new functions relating to ensuring energy efficiency, implementing the electricity market design, coordinating cyber security, and supervising compliance with the Methane Regulation ⁽¹⁾.

The year 2025 marked a significant shift in the development of the entire Lithuanian energy sector: the synchronisation of the Baltic States' electricity systems with the Continental European synchronous area was successfully completed last year. The synchronisation process was carried out in accordance with the planned deadlines and technical requirements, in cooperation with the European Transmission System Operators (hereinafter referred to as TSOs).

This step not only ensured an integrated and secure electricity system but also created further potential for the development of innovations. Creating the right conditions for innovations is becoming particularly important: the generating capacity from renewable energy sources is steadily increasing, the number of prosumers is growing, however, at the same time there is a growing need for energy storage facilities and flexible services. Last year, NERC drew up and approved guidelines for the flexible connection of energy storage facilities to the networks, currently the work is underway on a dynamic tariff model.

To ensure the continuity of the operation of the natural gas transmission infrastructure, at the end of 2025 AB Amber Grid and PJSC Gazprom successfully concluded a new agreement on the provision of natural gas transmission (transit) services to Russia's Kaliningrad Region through the territory of the Republic of Lithuania, effective until the end of 2030. In order to ensure the secure and reliable provision of these services and the maintenance of the natural gas transmission infrastructure, the NERC approved an increased level of allowed revenue for 2026. This will ensure the economically justified operation of the natural gas transmission system while taking into account the evolving conditions for the provision of natural gas transit services.

The Baltic Balancing Capacity Market came into operation on 5 February 2025: the Baltic States operate as a single frequency control block and procure balancing capacity services jointly through a single auction. Since the launch of the Baltic Balancing Capacity Market, NERC, in accordance with the REMIT Regulation, has been supervising the Baltic Balancing Capacity Market in collaboration with the national regulatory authorities of Latvia and Estonia by analysing and assessing the behaviour of market participants in the auction, maintaining regular communication with TSOs, and engaging in the resolution of any problematic situations that arise.

In order to ensure the protection of consumers' interests during the transition period of the development of the Baltic Balancing Capacity Market, amendments were made in 2025 to the methodology for setting prices for reserve capacity and isolated power system operation services, ensuring that, during this transition period, the component of the electricity price relating to system and balancing services would not increase for consumers.

¹ Regulation (EU) 2024/1787 of the European Parliament and of the Council of 13 June 2024 on the reduction of methane emissions in the energy sector and amending Regulation (EU) 2019/942

The first year of operation in the Baltic Balancing Capacity Market had challenges, such as high prices and price spikes. Respectively, the national regulatory authorities of the Baltic States launched two REMIT investigations into the conduct of market participants in the Baltic Balancing Capacity Market. In both cases, the actions of Latvian balancing service providers are under investigation, therefore the investigations are being conducted by the Latvian national regulatory authority, however, NERC is participating in the proceedings as a stakeholder. It should also be noted that balancing capacity prices have stabilised over the year, and the cost of Baltic balancing capacity in the fourth quarter of 2025 fell by 66% compared with the second quarter of 2025. Nevertheless, compared with other EU countries, balancing capacity prices in Lithuania remain high, highlighting the need for further market development.

With the liberalisation of the electricity supply market in Lithuania, household consumers were provided with the opportunity to choose an independent electricity supplier. 97% of consumers in the first phase and 94% in the second phase have already chosen an independent supplier. Meanwhile, participation of consumers in the third phase is less active, where only 50% of them have chosen an independent supplier. In order to protect the most vulnerable groups of the population, following the adoption of amendments to the Law of the Republic of Lithuania on Electricity (hereinafter – the LE), vulnerable consumers and household consumers with the lowest electricity consumption have been given the opportunity to remain on the public supply scheme until 2030. They also have the right to choose an independent supplier at any time, and, having done so, to return to the public supply scheme.

In 2025, NERC improved the legal framework: in order to ensure that market participants have faster access to electricity networks and in order to ensure more stable price trends for the connection of electricity installations to electricity networks, the Procedures for the Use of Electricity Networks of Transmission and Distribution Network Operators and the Methodology for Setting Tariffs for the Connection of Electricity Installations to Electricity Networks were amended.

On 9 June 2025, the tender for the use of maritime territory for the development and operation of renewable energy installations organised in accordance with Article 22 of the Republic of Lithuania Law on Energy from Renewable Sources (with incentives) was renewed, however, due to an insufficient number of participants, the tender was declared void by a NERC resolution dated 10 October 2025.

NERC, in contributing to the creation of a better business environment and reducing the burden on undertakings when applying for certificates issued by NERC certifying the technical condition of energy facilities and installations, as well as for certificates of commissioning and matching works, and by implementing the recommendations of the Organisation for Economic Co-operation and Development (OECD) submitted following the completion of the project “Accelerating Permitting for Renewable Energy in Lithuania (23LT01)” of the Technical Support Instrument (TSI) programme, has approved amendments to seven draft legislative acts. Once the planned changes have been implemented, the cost of issuing certificates is expected to be reduced by more than half. Excessive regulation of low-capacity installations has also been removed, in order to improve the efficiency of service provision, it is envisaged that electricity sector facilities will be inspected on-site only once, prior to the issuance of a certificate for commissioning and matching works.

2. MAIN CHANGES IN THE GAS AND ELECTRICITY SECTORS

2.1. Market Development and Supervision

- Electricity market

In 2025, the amount of electricity imported to the Lithuania's Power System (LPS) decreased by 26.82% compared with 2024 and accounted for 47.2% of the country's total electricity demand in 2025 (demand being 13.2 TWh). In 2025, 9.70 TWh of electricity was generated in the country, with imports amounting to 6.23 TWh and exports to 2.64 TWh. The final electricity consumption in the country in 2025 was 11.74 TWh. Total installed capacity at power plants increased in 2025 and reached 8,465 MW (6,509 MW in 2024).

In 2025, investments actually made amounted to 625.4 million EUR, from which 374.3 million EUR investments in distribution networks (10% more than last year), 169.9 million EUR investments in transmission networks (28% less than last year), and 81.2 million EUR investments in regulated electricity generation (63% more than last year). Compared with 2024, actual investments increased by 41.6 million EUR (7.1%).

In 2025, 2,475 undertakings in the electricity sector were subject to NERC regulation. This included licensed or permit-regulated activities of independent power supply and aggregation, transmission, distribution, public supply and electricity generation, as well as permits to develop power generation capacity.

As many as 11 of these undertakings were subject to price regulation. At the end of 2025, the following undertakings held licences issued by NERC: AB "Litgrid" – electricity TSO, AB "Energijos skirstymo operatorius", AB "Achema", UAB "Dainavos Elektra" and AB "Akmenės cementas" – electricity distribution system operators (hereinafter - DSO), and UAB "Ignitis" – a public electricity supplier.

At the end of 2025, 44 undertakings held independent electricity supply permits issued by NERC, of which 3 supplied electricity to household consumers and 41 to non-household consumers.

At the end of 2025, 2,709 undertakings (natural and legal persons) held permits issued by NERC to generate electricity (excluding prosumers), 348 undertakings (natural and legal persons) had permits issued by NERC to develop power generation capacity.

Figure 1. Number of market participants regulated by NERC in the electricity sector in 2025

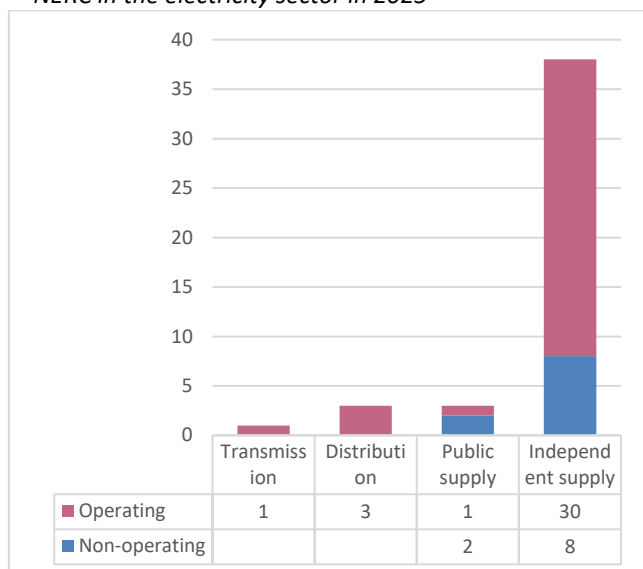
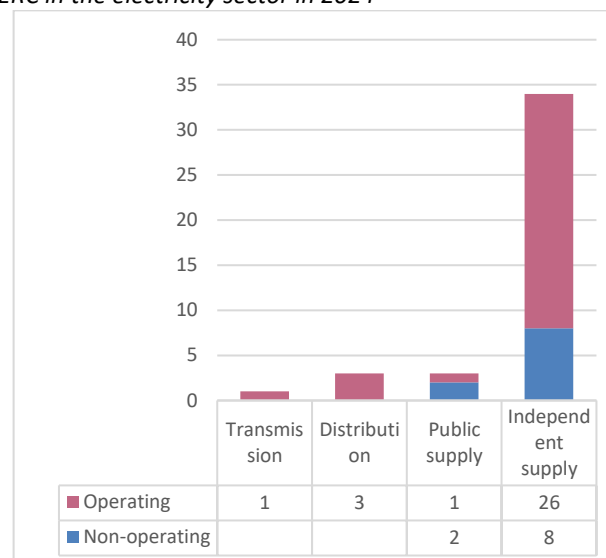
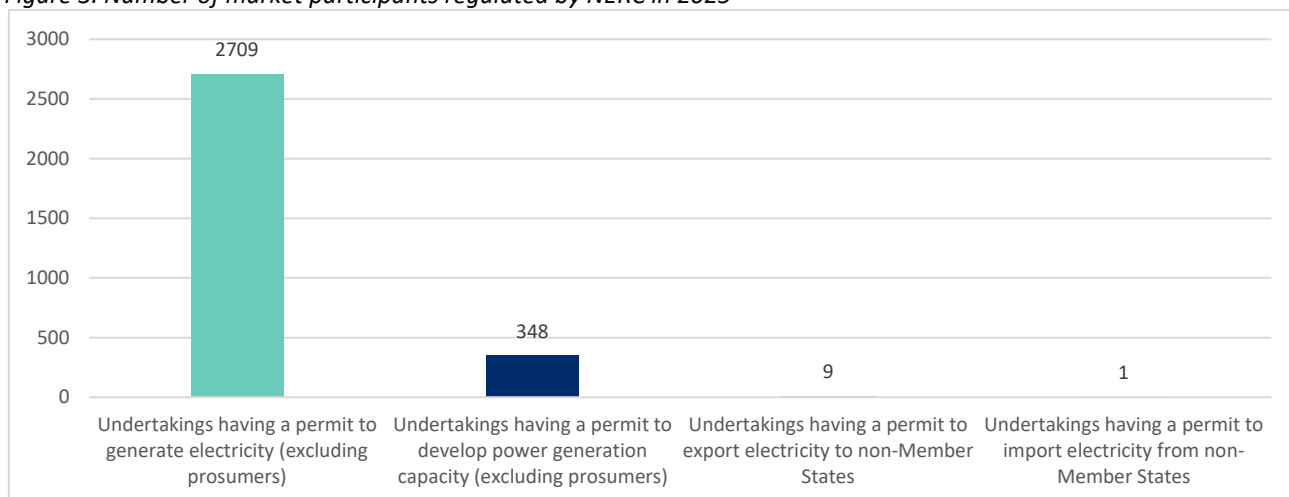


Figure 2. Number of market participants regulated by NERC in the electricity sector in 2024



Source: NERC

Figure 3. Number of market participants regulated by NERC in 2025



Source: NERC

NERC, pursuant to Article 22² of the LE, the Procedure for Granting and Revoking the Status of a Citizens' Energy Community and for Providing Information on Citizens' Energy Community, approved by the NERC Resolution No O3E-289 of 17 March 2023 "On the Procedure for Granting and Revoking the Status of a Citizens' Energy Community and for Providing Information on Citizens' Energy Community", in 2025, has granted 35 Citizen Energy Community (CECs) statuses, i.e. 1.5 times more CECs were granted the status in 2025 than in 2024. Furthermore, in accordance with Article 20² of the Law on Energy from Renewable Sources and the Rules for Issuing of Permits for Activities in the Electricity Sector, approved by Resolution No 829 of the Government of the Republic of Lithuania of 7 August 2019 "On the Approval of the Rules for Issuing of Permits for Activities in the Electricity Sector" and the NERC Resolution No O3E-1156 of 5 August 2025 "On the Approval of the Rules for Issuing of Permits for Activities in the Electricity Sector", five renewable energy community (REC) statuses were granted.

In accordance with the provisions of the aforementioned Rules for Issuing of Permits for Activities in the Electricity Sector, in 2025, NERC issued permits to develop power generation capacity (206), to develop power generation capacity for hybrid power plants (53), permits to develop energy

storage facilities (55) and permits to produce (206), as well as permits to carry out the activities of independent power demand aggregator (9) and independent electricity supply (6).

- Natural gas market

In the natural gas sector, NERC regulated 70 undertakings in 2025. In the natural gas sector transmission, distribution, storage, regasification of liquefied natural gas (LNG), supply, market operator activities and the centrally supplied liquefied petroleum products are licensed or regulated by permits.

In 2025, natural gas imports amounted to 33,659 GWh, an increase of 12.26% compared with 2024 (29,980 GWh). In 2025, compared to 2024, sales in the wholesale market of the natural gas increased by 67.15%, from 12,497 GWh to 20,890 GWh, while in the retail market increased by 41.05% (from 5,279 GWh to 7,446 GWh). The quantity of natural gas traded by UAB “GET Baltic” on the natural gas market till 8 September 2025 amounted to 7.21 TWh and was 32.34% higher compared with the quantity of natural gas sold during the same period (5.45 TWh)² in 2024.

Revenue of the natural gas sector (transmission, distribution, LNG regasification, supply) in 2025 amounted to 1,537 million EUR, i.e. it was almost 48.3% higher than in 2024 (1,036 million EUR). This was mainly driven by a 49.51% increase of the quantity of natural gas sold by natural gas supply companies (from 21,635 GWh to 32,347 GWh). In 2025, a total of 31 million EUR was invested in the natural gas sector, i.e. 80.9% less than in 2024 (162 million EUR).

After verifying that the prices for natural gas transmission services submitted by AB “Amber Grid” are reasonable and objective, did not exceed the established revenue cap and are correctly differentiated to avoid cross-subsidisation between groups of system users, NERC approved the Lithuanian gas TSO’s tariffs for 2026, according to which the average price of gas transmission services for Lithuanian consumers will be 1.52 EUR/MWh. This is 5% lower than the gas transmission price currently in force for 2025, which is 1.60 EUR/MWh.

2.2. Implementation of the Clean Energy Package

In 2025, no amendments to NERC legislation relating to the implementation of the Clean Energy Package were adopted.

Analysis of the 2024 European Resource Adequacy Assessment (ERAA)

In 2025, the European Union Agency for the Cooperation of Energy Regulators (ACER) approved the ERAA 2024 analysis, prepared in accordance with Article 23 of Regulation (EU) 2019/943. The aim of the ERAA is to identify resource adequacy challenges and provide a robust and objective basis for policy decisions, particularly when assessing the need for capacity mechanisms.

ERAA 2024 represents a step forward in the ongoing endeavour to provide a reliable tool for European decision-makers. Compared with previous editions, ENTSO-E has introduced significant methodological improvements, including updating climate database, applying the flow-based capacity calculation method in both the economic dispatch and investment modules, and refined

² The market operator UAB “Get Baltic” carried out its licensed activity until 8 September 2025. For comparison purposes, the corresponding period in 2024 was assessed in the calculations. By Resolution No O3E-950 of 27 June 2025 “On the Recognition of European Energy Exchange AG as Authorised to Carry out the Activities of the Natural Gas Exchange Operator in the Republic of Lithuania”, European Energy Exchange AG was recognised as eligible to carry out the activities of a natural gas exchange operator in the Republic of Lithuania from 9 September 2025.

the modelling of forced outages. However, ERAA 2024 still exhibits several important shortcomings. The most significant concern is the lack of consistency between the investment assessment (EVA) and economic dispatch (ED) modules.

In ACER's view, to ensure that the ERAA fully complies with the methodology and becomes a reliable tool for policymakers, ENTSO-E should, in the 2025 ERAA, improve the consistency between the EVA and ED modules by at least 50%, include a scenario incorporating capacity mechanisms, strengthen the empirical justification and transparency of the load-sharing function, and use a uniform set of flow-based domains in both modules.

Report on the Review of the Baltic TSOs' Bidding Zones

No significant changes have occurred in 2025 with regard to the configuration of bidding zones. Following the synchronisation of the Baltic States' electricity systems with the continental European networks, relevant data continued to be collected, which will be used in the future to assess the feasibility of merging the Baltic bidding zones, transmission system capacity and the potential impact on the market. ACER's previous conclusions regarding the configuration of the Baltic bidding zones remain unchanged.

Electricity Price Comparison Tool

The aim is to make it easier to compare prices offered by independent electricity suppliers and to choose a supplier. In September 2021, NERC launched a new Electricity Price Comparison Calculator for household consumers – a tool that simplifies the process of choosing an independent electricity supplier and provides consumers with more comprehensive information about the electricity tariffs applied by suppliers. The Calculator allows consumers to compare offers from different independent electricity suppliers based on criteria relevant to consumers: the consumer's annual (monthly) electricity consumption, the number of time zones, fixed or variable price offers, the need for renewable energy, the duration of the price fixation offered in the plan (1 to 12 months, 13 to 24 months, 25 to 36 months or price offers longer than 3 years), with results presented from the cheapest to the most expensive plans offered by suppliers. To ensure an effective comparison of the plans available on the market, the Calculator was upgraded in 2025 by incorporating suppliers' plans with a power component.

The Calculator can be found at <https://skaiciuokle.vert.lt/>.

3. ELECTRICITY MARKET

3.1. Regulation and technical functioning of the grid

- Unbundling of activities
- Article 59(1)(j) of Directive (EU) 2019/944: Cross-subsidisation

In 2025, there were no changes regarding the implementation of the LE provisions related to the unbundling of activities and control of AB “Litgrid” and AB “Energijos skirstymo operatorius”³. In accordance with these provisions, NERC controls the effective unbundling of activities in the energy sector, the independence of transmission and distribution activities from commercial interests and the avoidance of cross-subsidisation. NERC continuously monitors and controls how electricity TSOs and DSOs ensure the independence and unbundling requirements set out in Articles 54(1) and (3) of the LE in the course of their business, through the use of the following means:

1. Application of the terms of reference for the verification of regulated activity reports. Since 2019, after NERC has approved the Terms of Reference for the Verification of Regulated Activity Reports, compliance with the unbundling requirements for regulated activity and accounting is additionally monitored through detailed verification procedures for regulated activity reports conducted by independent auditors. Reports on the verifications carried out by independent auditors concerning compliance with the unbundling requirements for regulated activities and accounting are annually submitted to NERC. No significant irregularities concerning the unbundling requirements for regulated activities and accounting were observed in 2025. In 2026, the annual Terms of Reference for the Verification of Regulated Activity Reports were approved/renewed and will be used for the verification of the Regulated Activity Reports submitted to NERC in 2026, which establishes that in cases where, during the reference period, NERC has performed scheduled and non-scheduled verification of regulated activity and has found irregularities, the auditor must assess whether the corrections of verified report data of regulated activity were made in accordance with the requirements provided in the NERC Verification Act.

2. Requirement to submit a regular compliance report. NERC applies the requirement for DSOs to have a compliance programme developed in accordance with criteria/requirements approved by NERC. In accordance with this programme, DSOs shall report to NERC on non-discrimination of electricity network users, non-discriminatory access to electricity distribution networks and the conditions of use of electricity distribution networks, the independence of DSO activities from the interests in the generation and supply activities, measures taken to avoid cross-subsidisation of these activities. DSOs shall make publicly available and submit to NERC an annual report on their compliance programme by 1 May each year.

³ In the event of a change of circumstances which would prevent the implementation of the requirements of unbundling of activities and separation of accounting laid down in Articles 54(1) and (3) of the LE, AB “Energijos skirstymo operatorius” shall be obliged to inform NERC no later than within 5 working days from the change in said circumstances. No such change of circumstances has been recorded in 2024.

- Network development and optimisation
- Article 59(1)(k) of Directive (EU) 2019/944: Investment plans

The supervision of AB “Litgrid” investment plans is carried out in accordance with the conditions set out in the LE. The TSO AB “Litgrid” submits to NERC at least every two years (by 1 July) a 10-year transmission network development plan, which shall include an assessment of the current and projected electricity supply and demand and the conclusions of a probable electricity system adequacy assessment. As part of its coordination, NERC assesses the investments already implemented by TSO, adjusts the investments previously agreed but not yet implemented, their deadlines, the costs of works, etc.

Taking into account the fact that TSO network development plans are renewed every two years, the last LPS 400-110 kV network development plan for 2024-2033 coordinated by NERC was submitted by AB “Litgrid” on 31 October 2024. The approved 10-year “Litgrid” electricity transmission network development plan, which is currently in effect, is published on the Company’s website⁴. In 2026, “Litgrid” is preparing a new 10-year transmission network development plan for 2026-2035 and will submit it to NERC before 1 July.

The planned investments for the development and upgrading of the electricity transmission network in 2024—2033 will amount to around EUR 2.70 billion, which is 33% more than the amount planned for the development and upgrading of the network in the 2022-2031 plan (EUR 2.03 billion).

The main investments in 2024–2033 will be targeted at the rehabilitation and repairs of the electricity infrastructure (54%), network development (28%), and strategic projects (15%).

During 2025, AB “Litgrid” has made significant progress in the implementation of Projects of Common Interest (PCI) and other strategic (synchronisation) projects.

With the implementation of the Synchronisation Investment Programme, the Lithuanian Power System became synchronised with the electricity networks of the continental Europe on 9 February 2025 — the final step towards Lithuania’s energy independence. The Baltic power systems operate in a single synchronous area together with the systems of other European countries. The synchronisation project has enabled Lithuania to achieve energy independence, therefore, it is highly important in terms of national security; the infrastructure deployed within the scope of the synchronisation project helps integrate more electricity generation from renewable sources into the Lithuanian system, contributes to Lithuania’s goal to become a country that produces 100% of the required electricity from wind, solar and other renewable sources in 2050, and is also beneficial in economic terms as it creates equal competitive conditions for generators, and promotes investments on the market.

The following developments took place in 2025:

- continued “Harmony Link” project: a feasibility study for the construction of the onshore link was completed. To connect the new 220 kV line, a new 330/220/110 kV transformer substation (hereinafter – TS) would be constructed on the Lithuanian side next to the existing 110 kV Gižai TS and connected to the 330 kV Bitėnai-Kruonis PSHP overhead line. A concept

⁴ litgrid.eu/uploads/files/dir735/dir36/dir1/19_0.php

- for the development plan of the “Harmony Link” onshore link and a strategic environmental impact assessment report were also prepared;
- implemented construction project of the 330 kV Vilnius–Neris transmission line;
- implemented project for the construction of the 330 kV Kruonis PSHP–Bitėnai transmission line;
- implemented project for the construction of the 330 kV Darbėnai–Bitėnai transmission line;
- synchronous compensation devices at 330 kV Telšiai, Alytus and Neris TS were connected to LPS;
- reconstructed 330/110/10 kV Neris TS;
- completed construction of the 330 kV “Mūša” and “Darbėnai” switchyards.

In 2025, “Litgrid” launched the Cross-Border Interconnectors Program, which includes the reconstruction of both internal 330 kV OL and interconnection 330 kV lines, as well as the construction of a new 330 kV Varduva–Broceni transmission line. Accordingly, it will be necessary to expand the existing 110 kV Varduva switchyard by constructing a new 330 kV Varduva TS and installing new autotransformers, as well as to install shunt reactors at the 330 kV Darbėnai and Mūša switchyards.

A lot of attention is also being paid to protecting and strengthening the infrastructure. Accordingly, the Infrastructure Resilience Program has been launched.

Since 2018, DSO AB “Energijos skirstymo operatorius”, as a DSO serving more than 100,000 consumers, publishes investment plans on its website in accordance with the obligation laid down in Article 391 of the LE. Before publishing the 10-year plan for the development, renewal, modernisation of and investment in the distribution networks, DSO carries out transparent and public consultations with the competent public authorities and other stakeholders. On 24 January 2025, NERC agreed on the investment plan for 2024-2033. AB “Energijos skirstymo operatorius” expects that the investment needs for the development and upgrading of the electricity distribution network for the period 2024-2033 will amount to around EUR 3.31 billion, which is 17% higher than the investment needs for the period 2022-2031 (EUR 2.82 billion). The increase in the volume of expected investments is mainly driven by the increase in the cost of contracting works and materials and the growing number of connections of new consumers in the electricity sector. The bulk of the investment (49%) will be dedicated for the connection of new consumers, the second by volume share of investment (40%) will be allocated to improving the resilience and reliability of the electricity network, to rehabilitate the 110-35 kV and 10-0,4 kV electricity network. The remainder (11%) will be used for other investments (construction/development of the electricity network, smart electricity meters, information systems of smart meters, transport, other fixed property, information systems of technology assets and management systems).

- Article 59(1)(l) of Directive (EU) 2019/944: Smart grid development

Every year, AB “Litgrid” implements reconstruction projects for transformer substations and transmission lines, replacing outdated equipment with the latest technologies, measurement, monitoring and control systems. This enables advanced monitoring and management of LPS. Ensuring the supply of electricity to the facilities of electricity consumers, increasing the security of electricity supply, reducing maintenance and operational management costs, developing and

modernising smart grids allow for a more efficient and reliable energy consumption, and increases the market integration of renewable energy sources.

Development of Variable Line Capacity Technology in the Electricity Transmission Network

Following the successful implementation of the Dynamic Line Rating (DLR) pilot project, AB “Litgrid” will begin widespread deployment of this technology in the electricity transmission network in 2026. DLR technology will be deployed on 612 km of 110 kV and 561 km of 330 kV overhead lines.

The implementation of DLR technology is expected to enable more efficient use of the existing electricity transmission network infrastructure, reduce the risk of network congestion, create more favourable conditions for the integration of renewable energy sources, and defer or optimize a portion of the investments in network expansion. The real-time data collected will be integrated into network management and planning systems, enabling more responsive management of power flows and more accurate planning of network operations.

The implementation of DLR is one of the solutions being implemented by AB “Litgrid” to digitize the transmission network and increase its flexibility, with the aim of managing rapidly growing power flows more efficiently and ensuring the reliable operation of the electricity system as the share of renewable energy increases.

RES generation management tools for managing transmission network congestion.

AB “Litgrid” is developing digital tools designed for the effective management of electricity transmission network congestions amid the rapid growth of renewable energy sources (RES) generation. The goal is to identify potential network congestions during the planning phase and in real time, and to apply optimal measures to prevent or eliminate them, ensuring the reliable operation of the electricity system and maximizing the utilization of existing infrastructure capacity.

The features being developed allow for the integration of various transmission system management and analysis modules:

- The transmission network reliability assessment system analyses the transmission network’s operating mode and calculates projected constraints; network users are notified of these constraints in advance – they are provided with the SGL (safe generation limits).
- The SCADA/EMS system performs real-time calculations of transmission network line loads and system balance. A generation constraint function is being implemented, which allows for the rapid constraint of generation to address transmission network congestions and ensure system balance.

The planning tool is based on an advanced method that evaluates the impact of power plants on specific network congestions using power transfer distribution factor (PTDF) models. The tools are designed to integrate dynamic line capacity (DLR) data. This allows for more efficient integration of growing RES capacities and reduces the need for large-scale generation constraint.

Tool development is an important part of smart grid expansion, as it enables operators to use digital analytics and management tools to manage power flows more flexibly and efficiently, integrate distributed generation, and ensure the safety and reliability of the electricity system.

In 2025, DSO AB “Energijos skirstymo operatorius” continued to implement solutions for a self-healing network (one that operates without dispatcher intervention in a case of faults). To expand remote and automated network management (smart network), two uncontrolled 10 kV distribution substations were renovated in 2025 through the installation of remotely controlled equipment, enabling automated fault localization via the DMS (Distribution Management System).

To improve the controllability of the 10 kV network, lines were upgraded and remote-control devices were installed so that, in the event of a single fault, the maximum number of customers disconnected would be 600 or fewer through the use of remote control solutions. In 2025, 46 such 10 kV lines were automated. There are plans to continue installing switching equipment in selected network segments.

In 2026, it is planned to automate more than 40 10 kV lines, on which switching equipment will, without the intervention of a dispatcher, identify a faulty section of the network and disconnect (isolate) it, that is, the so-called FLIR (Fault Location Isolation Restoration) automation programme is being implemented, which is installed on the circuit breakers and, in a case of disconnection of any of the circuit breakers, launches the FLIR programme.

In mid-2025, a contract was signed for the development of functional enhancements to the Asset Management System and for a version update. Over a five-year period, the plan is to develop the management of electricity operations on a work-based approach, the dispatch control functionalities for electricity and natural gas distribution networks, and to ensure the management of technological assets.

Following the completion in 2024 of the development of all modules envisaged in the centralised energy Data Hub project, the focus in 2025 was on new services for customers and the enhancement of the technological capabilities of the system itself. A significant change was implemented: the delivery of interval data to independent suppliers via a ‘push’ solution, which will enable suppliers to receive larger volumes of data more quickly and efficiently. Furthermore, balancing reports were expanded to include new dimensions, billing data was supplemented with new tariff components, and the reporting module was enhanced. In 2025, significant attention was paid to improving speed and stability: module versions were upgraded and internal integrations were replaced with new ones.

As of July 2022, AB “Energijos skirstymo operatorius” started mass deployment of smart electricity meters for electricity consumers. By early 2026, 1.33 million smart meters had already been installed in Lithuania out of a total of 1.89 million consumers; this represents around 70% of all electricity consumers.

In accordance with the investment plan agreed with NERC on 19 September 2019, the project is being implemented in two phases: by 2025 and by 2037. The first phase was successfully completed at the end of 2025. During this phase, priority was given to customers with higher electricity consumption, and the smart meters installed now account for more than 90% of the total amount of electricity distributed in Lithuania. The second phase is continuing in accordance with the approved plan until 2037; the focus and scope of the investment remain unchanged.

In 2025, as the smart metering infrastructure expands, the necessary conditions are created for more efficient network management, more accurate consumption monitoring and new customer solutions in the energy sector.

- Network tariffs
- Article 59(1)(o) of Directive (EU) 2019/944: Evolution of network tariffs

Tariffs for transmission and distribution services

After assessing the TSO's costs, NERC has set a 21.4% higher price cap for the transmission service for 2026 compared to 2025. The increase in the price cap of the transmission service for 2026 is due to a lower projected volume of electricity to be transmitted, an increase in wage costs, and an adjustment to the 2025 price cap to reflect the return on investment and the correction of the costs modelled by the Long Run Incremental Cost Model (LRAIC) for the years 2022-2023.

Having assessed the of the distribution network operator with more than 100,000 consumers in its service territory, NERC set a 5.8% higher price cap for electricity distribution service of AB "Energijos skirstymo operatorius" over MV networks and a 24.5% higher price cap for electricity distribution service over LV networks for 2026. The reasons for the increase in the price of the distribution service: higher OPEX (DU) and OPEX (non-DU) costs, which grow as a result of changes in wages and inflation rates, allocated higher additional component, as well as due to higher depreciation costs and return on investment due to the higher investments made in the assets. The reasons for the decrease in the price of the distribution service: lower estimated costs for technological losses compared to 2025 due to the lower market price of electricity and projected lower coefficient of distribution network losses.

NERC has set the component of the transmission service price relating to the purchase of ancillary services for 2026 at 1.2653 ct/kWh (excluding VAT). Compared with 2025, the component for the purchase of ancillary services added to the transmission service price has decreased by 24.8% (in 2025 it was 1.6816 ct/kWh), and this difference was driven by the difference between the revenue and cost figures set by NERC for AB "Litgrid" for 2024 and the actual revenue received and costs incurred by AB "Litgrid" in 2024, as well as changes in the prices of TSO services purchased. This result, calculated in accordance with the provisions of paragraph 28¹ of the Reserve Capacity Methodology, represents the discrepancy between the forecast and actual costs to be reimbursed to AB "Ignitis gamyba".

Table 1. Price caps for electricity transmission and distribution services for 2025-2026 (ct/kWh)

Company	2025		2026		Difference, %	
Transmission system operator						
AB "Litgrid"	1.045		1.269		21.4	
Distribution system operators						
	MV	LV	MV	LV	MV	LV
AB "Energijos skirstymo operatorius"	1.147	2.639	1.214	3.286	5.84	24.52
AB "Akmenės cementas"	1.904	2.082	1.136	1.261	-40.34	-39.43
AB "Achema"	0.77		1.32		71.43	
UAB "Dainavos Elektra"	1.541	3.174	1.543	2.910	0.13	-8.32

Source: NERC

Prices for reserve capacity services and isolated operation services

Taking into account the results of the Electricity Reserve Capacity Services Markets Research Report approved by NERC in February 2019, AB "Ignitis gamyba" was recognised as having significant market power on the market for the provision of tertiary active power reserve for voltage

management on the 330 kV transmission network and secondary emergency active power reserve, while AB "ORLEN Lietuva", AB "Panevėžio energija" and UAB "Kauno termofikacijos elektrinė" were recognised as having significant market power on the market for the provision of tertiary active power reserve for the restoration of secondary emergency active power reserve. Accordingly, the prices of these services are regulated.

Taking into account that the joint Baltic Balancing Capacity Market came into operation in February 2025, and in order to ensure that the component of consumers' electricity prices relating to systemic and balancing services in the energy sector did not increase during the transitional period, amendments were made to the methodology for setting prices for reserve capacity and isolated system operation services, which ensured an optimal balance between the transmission system operator's revenues and costs.

In September 2025, TSO AB "Litgrid" publicly announced that it expects to require 1.169 MW/h of generation availability in 2026 in order to ensure the isolated operation of the electricity system. The isolated operation service will require the capacity of all generators capable of providing isolated operation services. Also, AB "Litgrid" informed that the full capacity of EC Unit 7, EC Unit 8 and CCU facilities will be booked for the isolated system operation service. In view of the above, NERC set the price caps for 2026 for the secondary active power reserve (frequency restoration reserve) service of the Kruonis Pumped Storage Hydroelectric Plant (hereinafter – PSHP), as the division of AB "Ignitis gamyba", for the isolated operation service of EC Unit 7, EC Unit 8 and CCU, as the division of AB "Ignitis gamyba", as well as for the services of AB "Panevėžio energija", AB "ORLEN Lietuva" and UAB "Kauno termofikacijos elektrinė". NERC also set a revenue cap for the the service of prevention and elimination of accidents and malfunctions to be provided by AB "Ignitis gamyba" in 2026 together with the Kaunas Algirdas Brazauskas hydroelectric power plant and Kruonis PSHP. Once the Baltic TSOs have disconnected their energy systems from the IPS/UPS system and synchronised with the Continental European synchronous area, the price for the secondary active power reserve service (frequency restoration reserve) is no longer applicable. In order to ensure equal conditions of competition, the price caps for the above services are confidential and shall not be made public.

NERC has set the price cap for the isolated power system operation reserve service of the designated storage operator UAB "Energy Cells" at EUR 3.72/MW/h (excl. VAT) for 2026, which decreased by 10.8% compared with 2025 (EUR 4.17/MW/h).

Price of the services of public interest (SPI)

NERC determines the funding requirements for services of public interest (SPI), the prices of SPI, and the allocation of funds to SPI providers.

The total funding requirement for SPI in 2025 is EUR 7.051 million, the majority of which is as follows: EUR 6.414 million is envisaged for generation from renewable energy sources (RES), EUR 0.430 million for balancing this generation, carried out by the distribution system operator AB "Energijos skirstymo operatorius", and the remaining amount (EUR 0.208 million) to cover administrative costs. The planned SPI funding requirement for 2026 is EUR 1.295 million, of which EUR 0.621 million is envisaged for promoting RES generation, EUR 0.437 million for balancing RES generation, and the remaining amount (EUR 0.237 million) to cover administrative costs.

Table 2. Budget and prices for SPI funds in 2024 to 2026

	2024		2025		2026
	Planned	Paid	Planned	Paid	Planned
Total SIP funds, EUR mln., of which:	26.469	21.069	7.051	4.375	1.295
Support for electricity generation from RES (including balancing and centralised purchasing), EUR million	26.225	20.810	6.844	4.164	1.058
Repayment of SPI funds under Article 74 ¹ of the LE, EUR million	0	0.018	0	0	0
SPI price, ct/kWh	0		-0.039		-0.044

Source: NERC

The prices for using electricity networks

NERC has set the prices for using electricity networks for household prosumers and has published the differentiated prices for electricity transmission services provided by AB “Energijos skirstymo operatorius”, which will come into effect on 1 January 2026, which have been reduced on average by 0.568 ct/kWh (excluding VAT) to both, the household consumers of MV networks, and LV networks; accordingly, the prices of services provided by AB “Energijos skirstymo operatorius” to household prosumers for 2026 were also reduced and approved, with these prices coming into effect from 1 January 2026. This price reduction was implemented in accordance with the approved plan for the repayment of excess returns on investments meeting the reasonableness criteria for the period 2018-2021. More detailed pricing information can be found at www.vert.lt

Fees for connection to the electricity network

By 30 November of the current calendar year at the latest, NERC shall calculate, approve and publish on its website the fees and maximum design capacities for the connection of consumer equipment in the relevant year.

At the end of 2025, NERC made a change to the pricing principles for the network connection service, under which a more gradual change in the cost of connecting electrical equipment to the network is ensured in cases where the market prices of labour and materials are rising. Furthermore, in order to ensure faster access for market participants to the electricity transmission and distribution networks, the network operators’ Description of Access to Electricity Networks has been amended; this will, in turn, ensure a more efficient provision of services by granting access to the electricity networks.

For consumer group I, the tariff for the installation or increase of 1 kW of authorised power capacity is rising by 3.6%; for consumer groups II and III, the tariff is rising by between 28.2% and 58.8%.

The maximum reimbursable design fee for 2026, compared with 2025, fell by an average of 32.8% for consumer groups I and II, and by 16.5% for consumer group III. The maximum reimbursable design rate for 2026 fell by 6.2% for consumer group I, while for consumer groups II and III this rate increased by an average of 28.6%.

The network development tariff approved for 2026 increased almost 4 times compared with that approved for 2025, rising from EUR 1.94/kWh to EUR 7.73/kWh. The increase in tariffs was influenced by rising costs for work carried out under contractor agreements and higher material costs incurred.

The increase in tariffs for the installation or increase of 1 kW of authorised power capacity for consumer groups I-III was also influenced by a 144% rise in the length of the network per consumer.

A significant change is evident among consumers connected following the approval of the new Methodology for Setting Tariffs for the Connection of Electricity Equipment to the Electricity Network, i.e. 1 April 2024, remote customers are granted equal opportunities to connect or increase their power capacity, regardless of the distance of the connection.

It should be noted that, in order to ensure the stability of connection tariffs and to avoid significant increases in tariffs, in 2025, NERC adopted a decision to spread the difference in price increases for the installation or increase of 1 kW of authorised capacity arising between the average price in force in 2025 and the average price calculated for 2026 over a three-year period. Accordingly, the 2026 tariff for the installation or increase of 1 kW of authorised capacity for consumer groups I-III was set after taking into account an increase of only 25% in the tariff rate.

Tariff for the access to interconnection lines (hereinafter – AIL)

NERC sets the AIL tariff applicable to electricity exports to third countries in line with the amendments to the LE that entered into force in March 2014. In 2024, NERC has approved the AIL price for 2025 at EUR 10.46/MWh, which is 21.29% lower than in 2024 (EUR 13.29/MWh). However, the set price does not apply at present as there is no electricity trade with third countries. Up-to-date information on the AIL price is available on NERC www.vert.lt (in English) under “Regarding price of the service of access to interconnection lines”⁵.

- Security and reliability regulation
- Article 59(1)(m) of Directive (EU) 2019/944: Security and reliability standards

In accordance with the Law on Energy of the Republic of Lithuania and the LE, NERC establishes and monitors compliance with the requirements for reliability of electricity transfer and quality of services. In 2022, NERC set a minimum level of transfer reliability for TSO AB “Litgrid” and DSO AB “Energijos skirstymo operatorius” for the new regulatory period 2022-2026, based on the actual average of the transfer reliability indicators, with an improvement target, which is defined after assessing the impact on transfer reliability of the investments in the reconstruction and upgrading of the electricity networks planned for the regulatory period. This requirement to set an improvement task was stipulated in 2021, following the amendment of the Electricity Transfer Reliability and Quality of Service Requirements set out in NERC Resolution No O3-75 of 11 June 2009 on “Approval of the Description of the Electricity Transfer Reliability and Quality of Service Indicators”.

The reliability and quality of service indicators of electricity transfer and their minimum levels are calculated separately for the electricity transmission system and the distribution network (see figures below). The lower the value of the indicator, the better the level of electricity transfer reliability.

Reliability of electricity transfer through transmission networks shall be measured by two indicators:

- amount of energy not supplied via the transmission network (ENS);
- average interruption time of energy transfer (AIT).

⁵ <https://www.vert.lt/en/Pages/regarding-price-of-the-service-of-access-to-interconnection-lines.aspx>

Fig. 4. ENS and the minimum level for this indicator, MWh

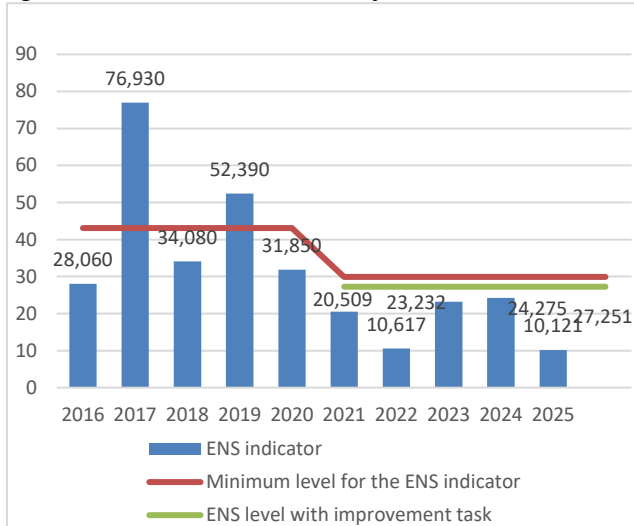
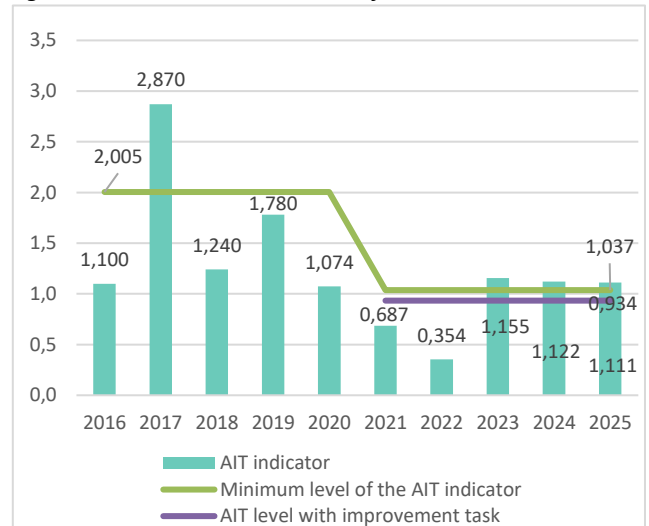


Fig. 5. AIT and the minimum level for this indicator, min.



Source: NERC.

The reliability indicators set by NERC for the new regulatory period obligate TSOs to ensure that the technical quality of service is better than or equal to the minimum requirements, i.e. the average interruption time for consumers shall not exceed 0.934 minutes (with an improvement task of 8.9%), and the amount of electricity not transferred should not exceed 27.251 MWh (with an improvement task of 10%).

For TSOs, the actual ENS and AIT transfer reliability indicators in 2022-2025 were within the minimum level set for 2022-2026.

Reliability of transfer through distribution networks is measured by two indicators:

- System Average Interruption Duration Index (SAIDI);
- System Average Interruption Frequency Index (SAIFI).

Fig. 6. SAIDI and the minimum level for this indicator, min. per consumer

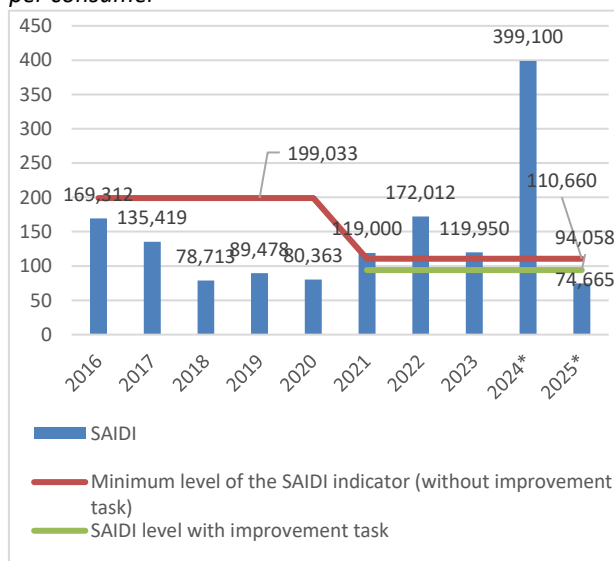
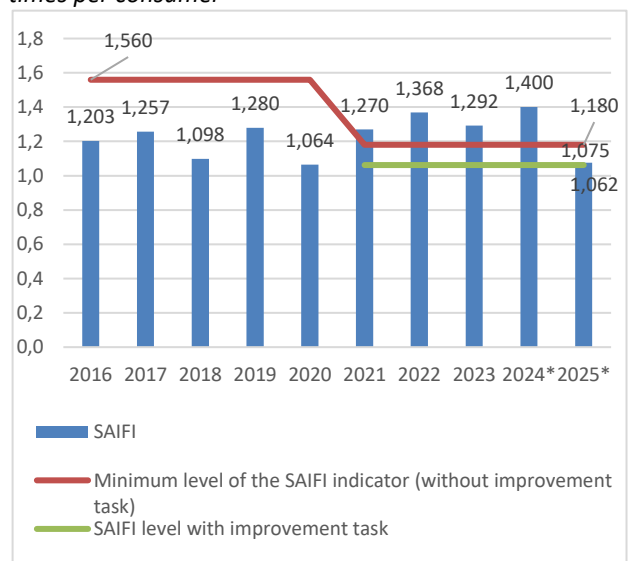


Fig. 7. SAIFI and the minimum level for this indicator, times per consumer



Source: NERC.

The reliability indicators set by NERC for the new regulatory period obligate DSOs to ensure that the technical quality of service is better than or equal to the minimum requirements, i.e. SAIDI for

consumers should not exceed 94.058 minutes (with a 15% improvement task) per year, SAIFI per consumer due to the fault of DSO should not be higher than 1.062 times (with a 10% improvement task).

Measurement of the actual indicators of electricity transmission through distribution networks by AB "Energijos skirstymo operatorius":

- Measurement of the SAIDI indicator: in 2025, SAIDI indicator was 20.62% lower than the established minimum level and consisted of 74.6654 minutes (without eliminating exceptional cases), meanwhile in 2022-2024, the indicator exceeded the established minimum level – 94.058 minutes; the SAIDI indicator was 172.012 minutes in 2022 (82.88% exceedance), 119.950 minutes in 2023 (27.53% exceedance), and 399.100 minutes in 2024 (324.31% exceedance, without eliminating exceptional cases);

- Measurement of the SAIFI indicator: in all years (2022-2025), the SAIFI indicator exceeded the set minimum level – 1.062 times; the SAIFI indicator was 1.368 times in 2022 (28.81% exceedance), 1.292 times in 2023 (21.66% exceedance), 1.400 times in 2024 (31.83% exceedance, without eliminating exceptional cases), and 1.075 times in 2025 (1.23% exceedance without eliminating exceptional cases).

It should be noted that the SAIDI and SAIFI indicators of 2024-2025 are shown without the elimination of exceptional transmission interruptions, therefore, the above-referred final 2024-2025 indicators will be identified once decisions on the elimination of exceptional cases have been taken.

The final assessment of the indicators to identify the average of the indicators of the regulatory period will take place in 2027.

The requirements approved by NERC also set out the quality indicators for electricity transfer and transmission services. The minimum level of the quality indicators must be at least 95% for each calendar year. For transfer service providers, the following indicators have been set:

- the percentage of customers connected on time (within 20 working days of payment date of connection fee), on a customer basis;
- the percentage of electricity transfer resumed on time (within 2 working days) to consumers who have paid their debts during the reporting period;
- the percentage of information provided to the consumer on time (at least 5 calendar days in advance) about planned interruptions due to network maintenance works in the reporting period;
- the percentage of timely completions of planned interruptions with maximum delay of 30 minutes in the reporting period;
- the percentage of faults at the consumer end resolved on time (within 5 working days) in the reporting period;
- the percentage of complaints from consumers and network users handled in a timely manner (within 30 calendar days) in the reporting period.

According to the DSO data from 2025, the average level of the provision of services to household and other consumers was as follows:

- the percentage of customers connected on time (within 20 working days of payment date of the connection fee), on a customer basis – 96.08%, which is in line with the requirements;
- the percentage of electricity transfer resumed on time (within 2 working days) to consumers who have paid their debts during the reporting period – 97.34%, which is in line with the requirements;

- the percentage of information provided to the consumer on time (at least 5 calendar days in advance) about planned interruptions due to network maintenance works in the reporting period – 99.98%, which is in line with the requirements;
- the percentage of faults at the consumer end resolved on time (within 5 working days) in the reporting period – 97.34%, which is in line with the set level;
- the duration of handling of complaints from consumers and network users was less than 30 working days, which is in line with the requirements (the average duration of handling DSO complaints was 7 calendar days).

There is only one quality of service indicator for TSO, i.e. the percentage of complaints handled in a timely manner, and according to the data from 2025, TSO had no complaints to be handled.

- the number of calls answered, and the percentage of the total calls received during the reporting period shall be 96.10% and did not exceed the set requirements;
- the percentage of repeated e-mail enquiries of the total e-mail enquiries received during the reporting period (the consumer makes the same enquiry concerning same question and the object within 60 calendar days from the date of the reply to the enquiry), which shall be not more than 5%, and did not exceed the set requirements.

- Article 59(10) of Directive (EU) 2019/944: Congestion management

Pursuant to Article 19(5) of Regulation 2019/943, NERC drew up and published a congestion income report for 2025 (hereinafter – the Report), which has also been submitted to ACER. The Report is drawn up on the basis of data provided by TSO:

1. In accordance with Article 19(5)(a) of Regulation 2019/943, the information to be provided shall cover the twelve-month period ending on 31 December of the previous calendar year, i.e. congestion income generated during the period from 1 January 2025 to 31 December 2025.

Table 3. Congestion income generated for the period between 1 January 2025 and 31 December 2025

Interconnector	Congestion income received, EUR
Lithuania – Latvia	1,614,738
Lithuania–Poland	23,183,465
Lithuania–Sweden	66,693,907
Balancing platforms (MARI, PICASSO, capacity market)	8,183,923
Total	99,676,033

Source: NERC

2. Pursuant to Article 19(5)(b) of Regulation 2019/943, information shall be provided on the use of congestion income in accordance with Article 19(2), including specific projects and the amount of income transferred to a separate internal account line. According to the data provided by AB “Litgrid”, the congestion income has been used in accordance with Article 19(2)(a) and (b) of Regulation 2019/943. The table below provides detailed information on the use of the income generated between 1 January 2025 and 31 December 2025.

Table 4. Use of the resulting congestion income for the period from 1 January 2025 and 31 December 2025

1.	Accumulated congestion income at the beginning of the period	390,118,691
2.	Purpose of use	Income used,

		EUR
2.1.	Ensuring the use of allocated capacity in accordance with Article 19(2)(a) of the Regulation	2,503,577
2.2.	Network investments under Article 19(2)(b) of the Regulation:	53,142,682
	Construction of 330 kV Kruonis PSHP – Bitėnai transmission line	1,815,277
	Construction of the HARMONY link	403,362
	Construction of the 330 kV Darbėnai – Bitėnai transmission line	2,918,447
	Construction of a new 330 kV Vilnius – Neris transmission line	12,827,029
	Installation of new synchronous compensators in the Lithuanian power system	22,240,659
	Construction of the 330 kV “Mūša” switchyard	8,572,925
	Construction of the 330 kV Darbėnai switchyard	140,970
	Connection of the third autotransformer AT-41 at the Alytus TS	3,712,921
	Upgrading of the NordBalt HDVC control system to ensure frequency stability	495,884
	Developing a new energy balance and ancillary services system	15,208
3.	Amount used in the calculation of network tariffs	34,470,735
4	Income generated during the reporting period	99,676,033
5.	Remainder of income transferred to a separate internal account line (4. – 2.1. – 2.2.)	44,029,774
	Total spent in 2025 (2.1. + 2.2. + 3.)	90,116,994
6.	Accumulated congestion income at the end of the period (1. – 2.1. – 2.2. – 3. + 4.)	399,677,730*

*Rounding errors are possible.

Source: NERC

3. In accordance with Article 19(5)(c) of Regulation 2019/943, information shall be provided on the amount used to calculate network tariffs.

In 2025, EUR 34.5 million of congestion revenue was used to reduce the price cap of transmission services – the transmission tariff.

4. In accordance with Article 19(5)(d) of Regulation 2019/943, information shall be provided on the verification that the amount referred to in point (c) has been used in accordance with Regulation 2019/943 and the methodology developed pursuant to Article 19(3) and (4) of Regulation 2019/943. Having assessed the Report submitted by the company, NERC found that the use of the congestion income in accordance with Article 19(5)(c) of the Regulation complied with the requirements set out in Article 19 of the Regulation and Article 5(3) and (4) of the Methodology⁶.

- Monitoring the supply and demand balance
 - Article 59(1)(v) of Directive (EU) 2019/944: Investment in generation and storage capacities in relation to security of supply

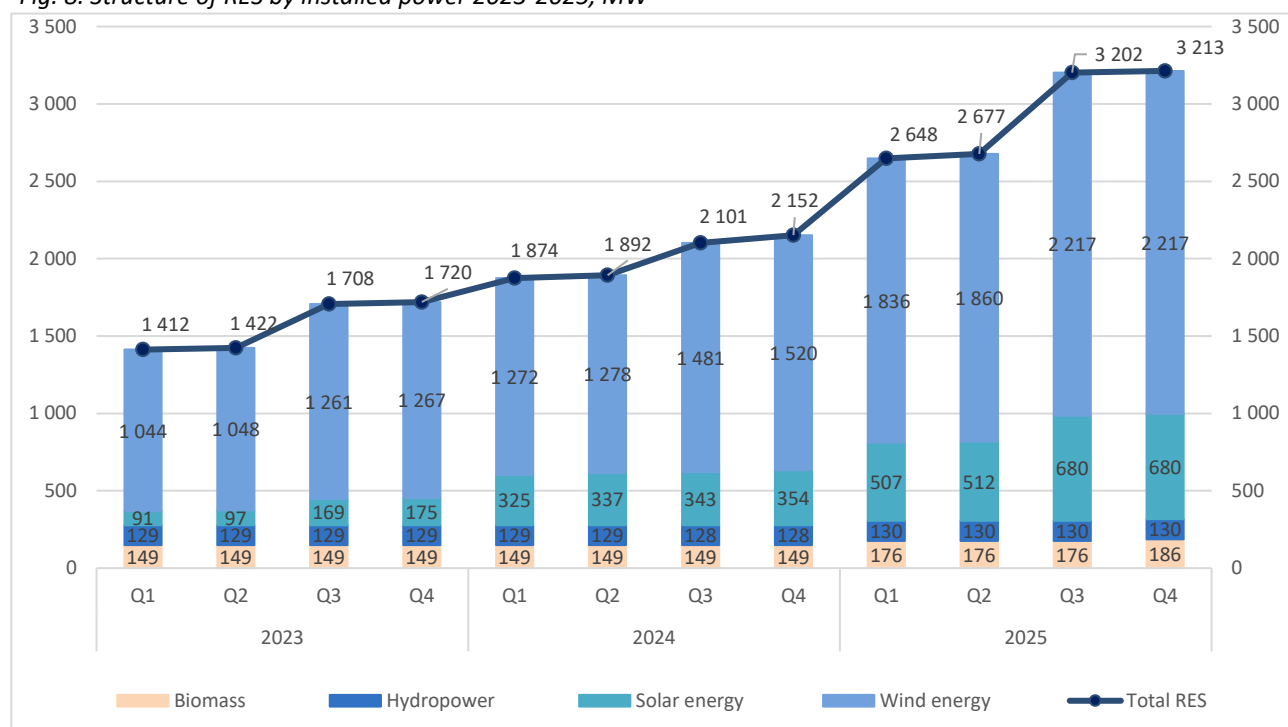
NERC monitors investments in generation capacity in accordance with the provisions of the LE by issuing permits for the development of power generation capacity and for the generation of electricity to persons other than those whose installed power of the generation facilities does not exceed 100 kW and persons seeking to become prosumers.

The largest market shares in the overall structure of the renewable installed capacity market at the end of 2025 were represented by wind power plants (69%), solar power plants (21.2%)⁷, biomass power plants (5.8%), and hydroelectric plants (4.0%).

⁶ By Decision No 38/2020 of 23 December 2020, the European Union Agency for the Cooperation of Energy Regulators (ACER) approved the Methodology for the Use of Congestion Income proposed by the TSOs on 3 July 2020.

⁷ Excluding power plants operated by prosumers.

Fig. 8. Structure of RES by installed power 2023-2025, MW

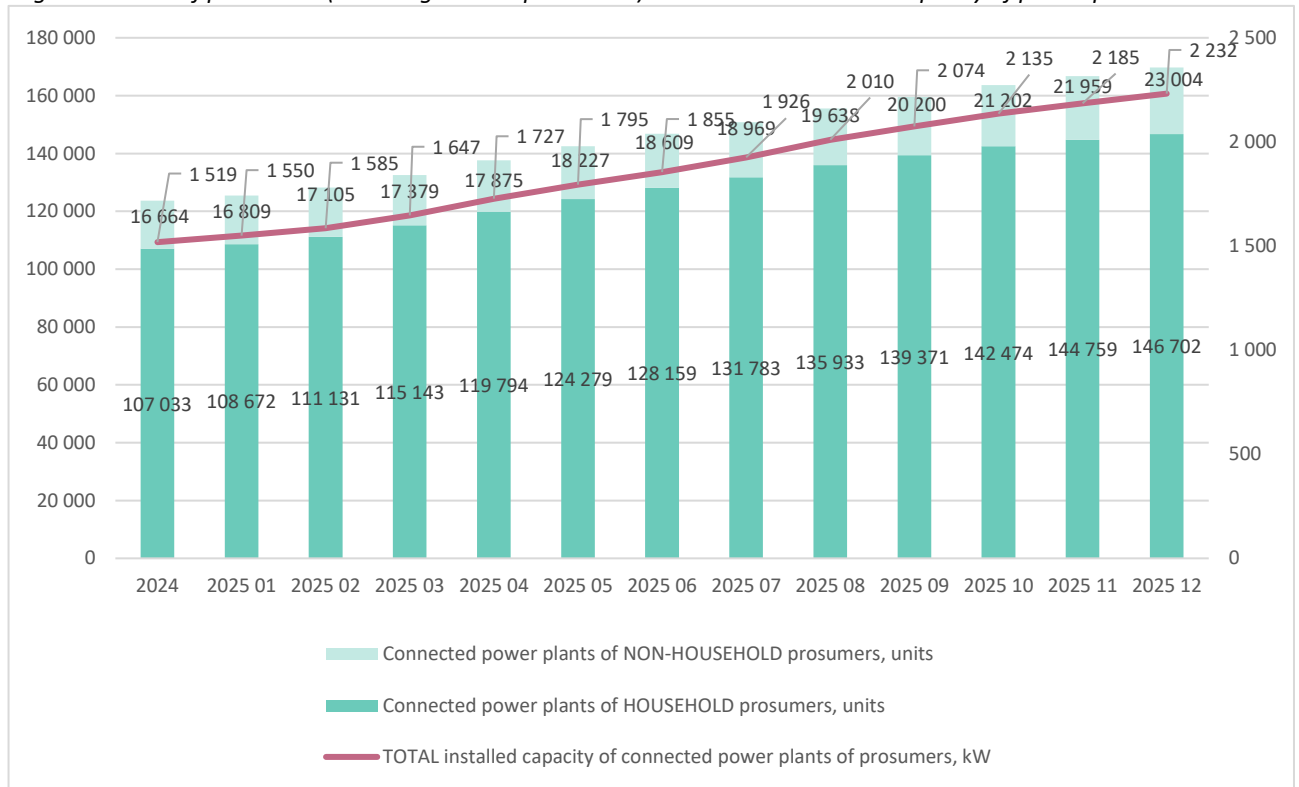


Source: NERC

In 2025, the share of the installed capacity of RES power plants (excluding prosumers) in the total installed capacity balance accounted for 52.9%.

In accordance with the provisions of the Law on Energy from Renewable Sources, the electricity network operator provides monthly information to NERC on the connection conditions issued to prosumers and persons seeking to become prosumers and planning to construct or install power plants using renewable energy resources, which, according to the LE, do not require a permit to develop electricity production capacity.

Fig. 9. Number of prosumers (including remote prosumers) and the total installed capacity of power plants



Source: NERC

The number of prosumers (including remote prosumers) increased by 46,009 in 2025, of which 39,669, or 86%, were household prosumers and 6,340, or 14%, were non-household prosumers. In 2025, compared to 2024, the number of prosumers increased by 37% (household consumers by 37%, non-household consumers by 38%), and the total number of prosumers at the end of 2025 was 169,706, of which 146,702, or 86.0%, were household prosumers and 23,004, or 14.0%, were non-household prosumers.

In accordance with the Law on Energy from Renewable Sources, NERC approves the Procedure for the Organisation of Tenders and Granting of Permits to Use Parts of the Maritime Area for the Development and Operation of Renewable Energy Power Plants and organizes tenders for the use of parts of the maritime area for the development and operation of renewable energy power plants. On 9 June 2025, NERC has re-launched the tender with incentives, i.e. the right to receive the transaction price obtained for 15 years, using the CfD (Contract for Difference) model, and specified a description of the terms and conditions of tender with incentives⁸, which allowed tenderers to offer the transaction price from EUR 125.74/MWh to EUR 75.45/MWh. Applications from tenderers were accepted from 10 June 2025 to 5 September 2025 and from 6 October to 7 October 2025 (inclusive). By the resolution of NERC of 10 October 2025, the tender was declared null and void as only one undertaking submitted an application for participation in the tender.

⁸ Approved by NERC Resolution No O3E-1457 of 15 November 2024 "On the approval of the description of the terms and conditions for the tender for the use of the maritime territory for the development and operation of power plants using renewable energy sources, organized in accordance with Article 22 of the Law on Energy from Renewable Sources of the Republic of Lithuania" (specified by the Resolution No O3E-862 of 9 June 2025 and the Resolution No O3E-1273 of 8 September 2025 of NERC).

- Cross-border issues
- Article 59(1)(w) of Directive (EU) 2019/944: Technical cooperation between EU and third-country transmission system operators

On 9 February 2025, Lithuanian Power System was synchronised with the continental European electricity networks. The Baltic power systems operate in a single synchronous area together with the systems of other European countries.

The Baltic transmission system operators organise and supervise trading on the balancing markets. On 19 November 2025, an agreement was signed between the Baltic transmission system operators and the national regulatory authorities, under which the national regulatory authorities receive data on market participants' bids, as required for the supervision and monitoring of balancing markets. Furthermore, where transmission system operators identify suspicious behaviour by market participants, they submit reports via ACER's Notification Platform. In response to these reports, the national regulatory authorities have launched two REMIT investigations into possible violations in the Baltic Balancing Capacity Market. Both investigations were launched in relation to the actions of a Latvian market participant; consequently, the lead authority conducting these investigations is the Latvian national regulatory authority. Furthermore, in 2026, NERC launched one REMIT investigation concerning bids submitted by a market participant in Lithuania in the balancing capacity and energy markets.

- Implementation of network codes and guidelines

NERC is a member of ACER's Board of Regulators (BoR) and, as such, together with other regulators engages in the approval of common documents related to the EU energy market. As part of this work, in 2025 NERC contributed to 14 decisions related to the EU regulations (network codes and guidelines). Accordingly, the adoption of some of the legislation received in 2025 continued into early 2026. In this section, we present the main decisions which are of most relevance for Lithuania.

- Article 59(7) of Directive (EU) 2019/944: Network codes
- Load connection

In 2025, no amendments to NERC legislation were adopted in relation with the Load Connection Regulation.

- Requirements for generators

In 2025, no amendments to NERC legislation were adopted in relation with the Regulation on Requirements for Generators.

- High-voltage DC connectors

In 2025, no amendments to NERC legislation were adopted in relation with the Regulation on High-Voltage DC Connectors.

- Operation

NERC has approved the updated General Technical Requirements of AB “Litgrid”, drawn up in accordance with Commission Regulation (EU) 2016/631 of 14 April 2016 establishing a network code on requirements for grid connection of generators. In order to ensure the reliability and security of the electricity system, the further development of renewable energy sources for electricity generation and the increase in cross-border transmission capacity between Lithuania and Poland, the provisions relating to the active power response time of electricity generation modules when the grid frequency exceeds 50.2 Hz or falls below 49.8 Hz have been updated; the U-Q/PMAX reactive power profile, revised requirements for artificial inertia, and clarified application of the requirements when automatic generation and frequency control functions are operating simultaneously.

AB “Litgrid” conducted a new questionnaire survey of Lithuanian consumers regarding the determination of the value of ordinary load, focusing primarily on legal undertakings (whose insufficient participation had prevented the value of lost load from being confirmed in previous years). The survey complied with the requirements of the Methodology for Calculating the Value of Lost Load, the Cost of New Entry and the Reliability Standard. The Value of Lost Load, the Cost of New Entry and the Reliability Standard will be approved in 2026.

Capacity calculation. NERC, in cooperation with its partners in the Baltic capacity calculation region (the national regulatory authorities of Estonia, Latvia, Poland, Finland and Sweden), has adopted two resolutions relating to capacity calculation, which set out the technical details. The methodology for calculating long-term transmission capacity also provides for an alternative (fallback) procedure. The transmission capacity of interconnectors facilitates international trade in electricity, while the calculation of their capacity quantifies the maximum limit for electricity transmission between electricity systems, thereby helping to ensure the operational safety of transmission interconnections and the maximum efficiency of the electricity market, taking technical conditions into account. Transmission capacity calculations are typically carried out by defining a transmission corridor and applying static and dynamic modelling to determine how much energy can be transmitted in either direction through this corridor before thermal overloads, voltage drops or instability due to a fault in the rating.

Following an assessment of the data provided by the transmission system operator, market participants’ need for information and the results of the public consultation, NERC has approved the updated list of metering points in the gas transmission system. This list is intended to ensure the transparent and adequate provision of information on gas flows at systemically significant points, facilitating effective access to the system while maintaining economically justified costs for the publication of information. The resolution also complies with the requirements of the EU Regulation.

NERC, in cooperation and coordination with the Latvian NRA, conducted a public consultation with market participants between May and June last year regarding their needs in relation to cross-zonal hedging opportunities within the trading zones of the Baltic capacity calculation region. Both supervisory authorities prepared an ‘Analysis of Hedging Opportunities in the Electricity Forward Market within the Lithuanian and Latvian Trading Zones’. Based on the results of the assessment, **it was concluded that there is no need to introduce cross-zonal risk hedging measures for the Latvian-Lithuanian interconnector.**

- Electricity emergency and restoration

During the reporting year, NERC did not take any decisions related to Commission Regulation (EU) 2017/2196 of 24 November 2017 establishing a network code on electricity emergency and restoration.

- Forward capacity allocation

On 12 November 2024, the Lithuanian and Swedish TSOs submitted a proposal to ensure that wholesale electricity market participants have the possibility to purchase long-term cross-zonal hedging products for the SE4-LT interconnector. Once the Lithuanian and Swedish regulatory authorities approve the proposal and it is implemented, it should contribute to the future development of the derivatives market and enable market participants to manage risks more efficiently, which could also have an indirect positive impact on final customers.

NERC, in accordance with Commission Regulation (EU) 2016/ 1719 of 26 September 2016 establishing a guideline on forward capacity allocation, **has approved the proposal submitted by the Lithuanian and Swedish TSOs for a long-term cross-zonal risk hedging product: the difference between electricity price zones, the liquidity of which is guaranteed by the TSOs (EPADcombo).** The proposal was approved in light of the market situation and an assessment which concluded that the current market for hedging against electricity price fluctuations is not sufficiently liquid or efficient, nor is it suited to the Lithuanian price zone. The implementation of EPADcombo products is planned for 2026.

- Capacity allocation and congestion management

The following documents approved by ACER are relevant for the allocation of cross-zonal capacity for trading on wholesale energy markets such as the day-ahead market or the intraday market:

- By Decision No 3/2025 of 27 March 2025, ACER approved amendments concerning products that may be included in the intraday market coupling.

The committee of the nominated electricity market operators (NEMOs) has submitted a proposal to amend the Intraday Market Coupling Products Methodology (SIDC). This change was linked to the requirement to switch to a 15-minute trading interval in the intraday and day-ahead markets. Once the methodology has been amended, electricity traders will be able to trade 15-minute products on the intraday market.

- By Decision No 10/2025 of 16 December 2025, ACER approved amendments concerning the establishment of regions of capacity calculation.

Regulation (EU) 2015/1222 stipulates that capacity calculation regions are geographical areas in which cross-border capacity is calculated in a coordinated manner and provides that all transmission system operators must draw up a proposal on how these regions are to be defined. To date, three proposals have been submitted, each replacing the previous one. The most recent proposal for the definition of regions was submitted last year. The decision covers two main areas of change: merging the two existing regions – CCR Core and CCR Italy North – into a single CCR CE. Previously, CCR CE covered only day-ahead trading, but will now also cover intraday trading. Three new regions have also been established: Eastern–Central Europe (ECE), Italy–Montenegro (ITME)

and Eastern Europe (EE). These regions also incorporate the countries of the Energy Community. Lithuania was not directly affected by this decision; Lithuania's regional membership remains unchanged.

- By Decision No 11/2025 of 19 December 2025, ACER approved the amendments concerning the establishment of the beginning and end of the intra-zonal intraday trading. Regulation (EU) 2015/1222 sets out the requirements for intra-zonal capacity allocation and congestion management on an intraday and day-ahead basis. One of the requirements is the setting of the start and end times for trading. On 2 July 2025, ENTSO-E, on behalf of all TSOs, submitted a proposal to amend the start and end times for intraday cross-zonal trading (hereinafter referred to as IDCZGCT). This decision endorsed the proposal to change the end of trading time from 60 minutes to 30 minutes before the start of the minimum intraday electricity delivery. The start of trading time remained unchanged.

- Electricity balancing

By Decision No 1/2025 of 29 January 2025, ACER adopted a decision to amend the Methodology on the Harmonised Cross-Zonal Capacity Allocation Process for Balancing Capacity Exchanges or Time-Based Reserve Sharing (the HCZCA Methodology). The definitions used in the methodology have been amended and supplemented, as have the provisions governing TSOs applying market-based allocation, as well as the management of balancing capacity platforms and the decision-making process and the provisions governing the process for determining the maximum allocated cross-zonal capacity for the exchange of balancing capacity or the sharing of reserves using market-based allocation. Provisions regarding the deadlines for implementing the methodology have been amended, and a formula for calculating the allocation of congestion revenue from cross-zonal capacity has been added.

ACER adopted a decision on the first amendment to the methodology for the regional procurement of balancing capacity by the Regional Coordination Centre, which amended and supplemented the following provisions: a) the definition of the values of parameters X and Y; b) the geographical demarcation used to assess available non-contractual offers on the platforms; c) the reporting obligations regarding the feasibility and effectiveness of operations with the specified values of X and Y.

NERC approved the agreements between AB "Litgrid" and "Energy Cells" regarding an addendum to Annex 5 of the Contract for the Purchase and Sale of Isolated Operating Reserve Services for the Electricity System, and subsequently regarding an amendment to this Annex.

On 29 December 2025, **NERC has extended the validity of Annex 5 to the Contract for the Purchase and Sale of Isolated Operating Reserve Services for the Electricity System,** which sets out the principles for the use of UAB "Energy cells" facilities and the conditions for the provision of balancing services, until 31 December 2026. Under this agreement, AB "Litgrid" purchased 40 MW of aFRR services from UAB "Energy cells". Additional clauses were also included, stipulating that AB "Litgrid" shall carry out three assessments by 15 March, 15 June and 15 September 2026: it will assess the adequacy of supply in the Baltic Balancing Capacity Market, taking into account the participation of new facilities capable of providing aFRR services in the Baltic Balancing Capacity Market. If there is sufficient capacity in the market, this service may be terminated or gradually reduced ahead of schedule.

3.2. Promotion of competition and market functioning

3.2.1. Wholesale market

- Monitoring price levels, the level of transparency, the level and effectiveness of market opening and competition
- Article 59(1)(n) and (o) of Directive (EU) 2019/944

In order to ensure that the regulator is able to verify the reasonableness of the costs of undertakings for the purposes of attributing them to regulated activities, the regulatory activity reports submitted by undertakings to NERC shall be audited by auditors from 2019 onwards in accordance with the terms of reference approved by NERC, i.e. the specific requirements. The terms of reference may be revised annually, either by adjusting the requirements set or by keeping the existing ones in place.

In order to ease the administrative burden, electricity and natural gas DSOs serving fewer than 100,000 customers, liquefied petroleum gas undertakings, as well as electricity undertakings recognised as having significant market power in the provision of a replacement reserve service and/or an isolated operation of the electricity system, the price of which is regulated by the state and which meet other conditions laid down by NERC, may choose the terms of reference for the verification of regulatory activity reports in 2025, either the same terms of reference applicable to all regulated undertakings or separate terms of reference for the verification of the regulatory activity reports of electricity and natural gas undertakings approved in September 2020.

In the electricity sector, NERC applies price regulation to 11 undertakings. In 2025, NERC adjusted the price caps for five infrastructure undertakings (AB “Energijos skirstymo operatorius”, AB “Litgrid”, AB “Achema”, UAB “Dainavos elektra”, AB “Akmenės cementas”) and, for the new regulatory period, set the price cap for 1 public electricity supply company (UAB “Ignitis”). NERC also set the prices for the services for ensuring reserve power and isolated operation of the electricity system for the providers of those services (AB “Ignitis gamyba”, AB “Panevėžio energija”, AB “Orlen Lietuva”, UAB “Kauno termofikacijos elektrinė”) and the price of the isolated operation reserve service of the electricity system for UAB “Energy Cells”.

In accordance with the provisions of the LE, NERC continuously monitors and controls the compliance of electricity market participants with the requirements of transparency, non-discrimination and competition in the electricity sector set out in the LE and other legislation, compliance with the conditions and requirements for licensed or authorised activities in the electricity sector, and the protection and defence of consumers’ rights and legitimate interests, including the reliability of information provided to consumers. Undertakings operating on the wholesale electricity market are obliged to make the information defined in separate legal acts publicly available. Following the approved description of information to be made publicly available, NERC publishes, on its website, a list of the information to be made publicly available by electricity undertakings⁹. If deficiencies in the information made publicly available are detected, NERC prepares recommendations concerning the compliance of the prices of services in the energy sector with the requirements of transparency, non-discrimination and other legal requirements.

⁹ <https://www.regula.lt/elektra/Puslapiai/elektros-energetikos-sektoriaus-ukio-subjektu-viesai-skelbiamos-informacijos-sarasas.aspx>

Article 12(5) of the Law of the Republic of Lithuania “On the Implementation of Regulation (EU) 2022/1854” imposes an additional obligation on NERC to monitor the correctness and justification of the amount of excess revenue calculated by the undertakings paying the excess revenue, to carry out assessments and identify discrepancies in tax returns. In implementation of Council Regulation (EU) 2022/1854 of 6 October 2022 on an emergency intervention to address high energy prices, which stipulated that the producers’ market revenue cap could not exceed EUR 180/MWh of electricity generated, and in accordance with the Methodology for Determining Market Revenue and Calculating Excess Revenue approved by NERC, a total of EUR 12.48 million was collected by 31 March 2026. The aforementioned Law also imposes an additional obligation on NERC to verify the accuracy and reasonableness of the excess revenue calculated by undertakings subject to excess revenue payments; consequently, in 2025, NERC continued to assess the excess revenue declared by such undertakings. In 2025, NERC adopted 21 decisions confirming the excess revenue for 22 undertakings, totalling EUR 9,220.8 thousand: it confirmed the amounts declared by 3 undertakings as having been calculated correctly and fairly, for 15 undertakings, it approved the recalculated excess revenue amounts and determined the sums to be refunded to the undertakings, totalling EUR 11.2 thousand, for 4 undertakings, it confirmed the recalculated amounts of excess revenue and determined the additional amounts payable by the undertakings, which totalled EUR 910.6 thousand.

NERC, in order to carry out market monitoring and in accordance with the Rules on the Provision of Information by Energy, Drinking Water Supply and Wastewater Management, and Surface Wastewater Management Undertakings, as approved by NERC, collects information from undertakings that require licences, permits, certificates and/or are subject to state-regulated prices. On the basis of the information provided by undertakings, NERC regularly prepares semi-annual electricity market monitoring reports and publishes them on its website¹⁰ in order to increase market participant awareness and to ensure that they have reliable information at their disposal.

The level of transparency in relation to wholesale prices is monitored in accordance with the provisions of Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency (REMIT). In addition, NERC has set limits on the disclosure of information that is considered inside information in accordance with the Rules on the Supervision of Trading in Electricity and Natural Gas adopted by NERC¹¹.

Supervision of trading on the electricity market is carried out by analysing the behaviour of market participants, i.e. the submission of transactions, including orders to trade, the conditions under which they are entered into, the explanations given by market participants and other circumstances, in order to prevent wholesale electricity market abuse. As part of the REMIT implementation, NERC, together with ACER, carried out continuous supervision of the wholesale electricity and natural gas markets, analysis of information available on insider platforms in the Lithuanian trading zone (12 inadequate/inaccurate urgent market messages (UMMs) were identified in the gas and electricity sector).

NERC also carried out registration of market participants (13 market participants registered), assessment of bilateral contracts for wholesale energy products and compliance with REMIT requirements, and monitoring of orders placed and transactions concluded by market participants on exchanges.

¹⁰ <https://www.vert.lt/elektra/Puslapiai/elektros-rinkos-apzvalga/rinkos-stebesena.aspx>

¹¹ <https://www.e-tar.lt/portal/lt/legalAct/fbc3b880c84711e69dec860c1f4a5372/asr>

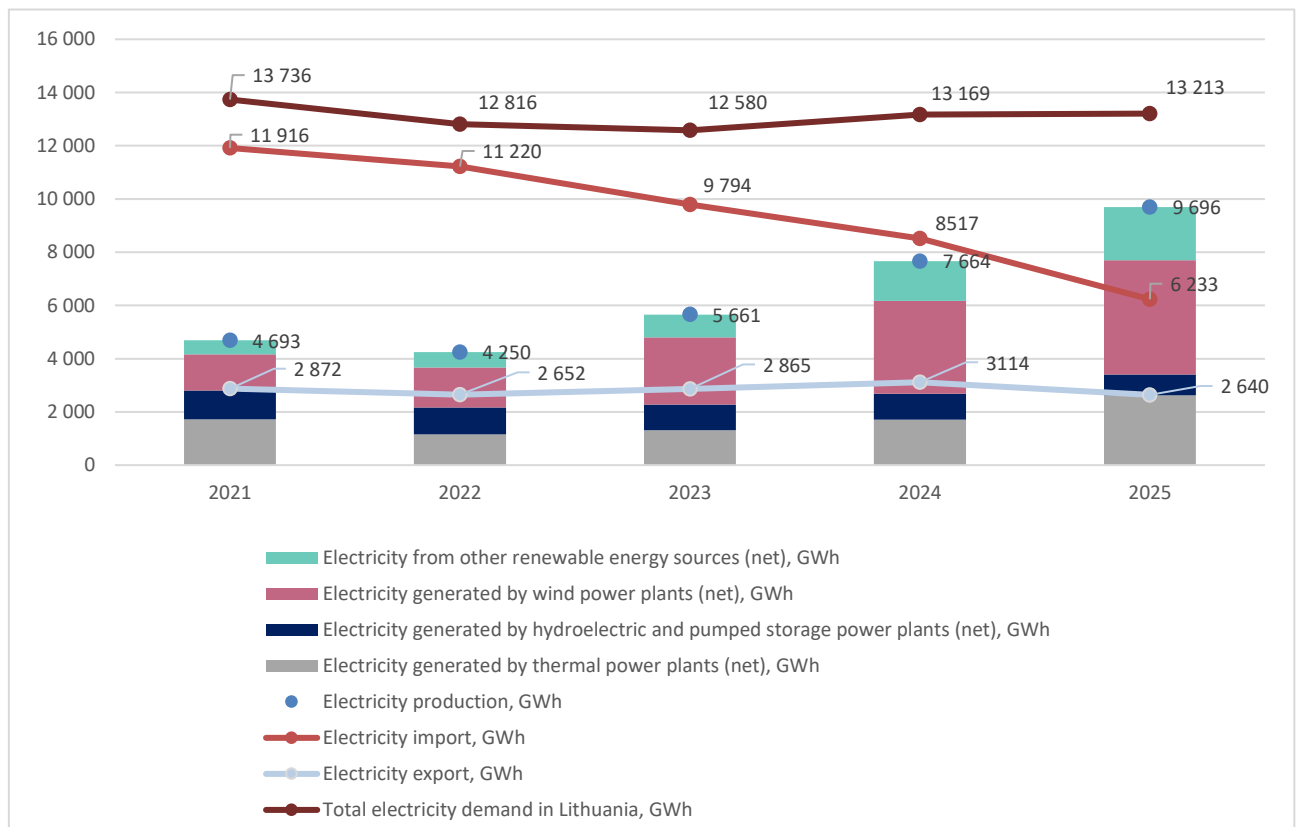
NERC is actively involved in the development of a common regional electricity market, including the development and implementation of various common legislation.

Harmonisation of rules between different EU countries should have a significant impact on the promotion of competition and the functioning of the market. Relevant measures implemented in relation to the implementation of the network codes are set out in the previous section – “Implementation of network codes and guidelines”.

As in previous years, NERC published on its website all information related to its activities, such as news, various clarifications, statistical information, information on ongoing meetings, materials from public meetings, etc., in order to increase transparency, as well as the awareness of market participants and consumers.

Information on the country’s total electricity demand, the amount of electricity produced (net) in the country and the amount of electricity imported and exported is presented in Figure 10 below.

Fig. 10. Electricity generation, imports, exports and total electricity demand in the country 2021-2025



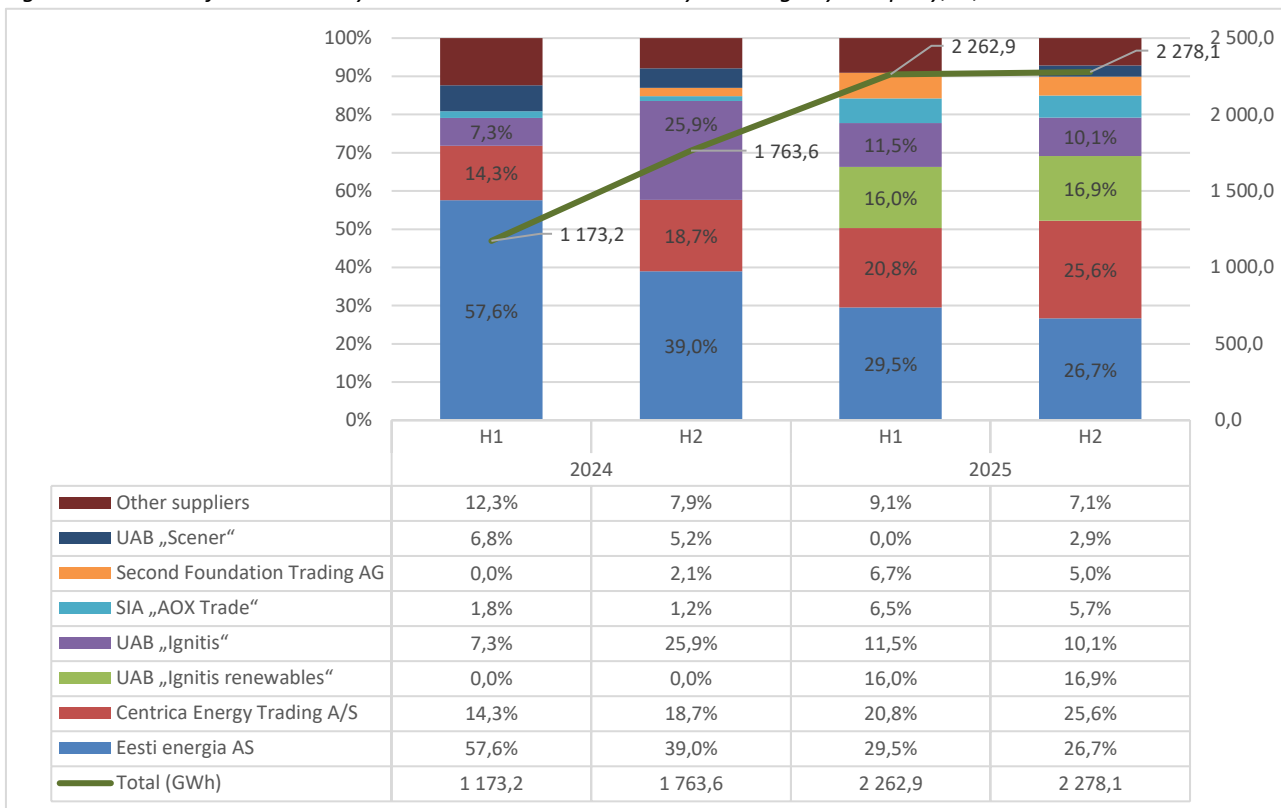
Source: NERC

In 2025, the price of electricity in the Lithuanian price area, on the day-ahead market, was EUR 85.31/MWh. Imports accounted for 47.2% of the country’s total electricity demand. For more information, see www.nordpoolgroup.com.

In the wholesale electricity market, 30 suppliers operating in the sale of electricity and 31 supplier was operating in the purchasing of electricity in the wholesale electricity market in 2025.

In 2025, there were three main suppliers on the wholesale electricity market: Eesti Energia AS, Centrica Energy Trading AS, and UAB "Ignitis renewables". Together they accounted for 68% of total electricity sales on the electricity exchange in 2025.

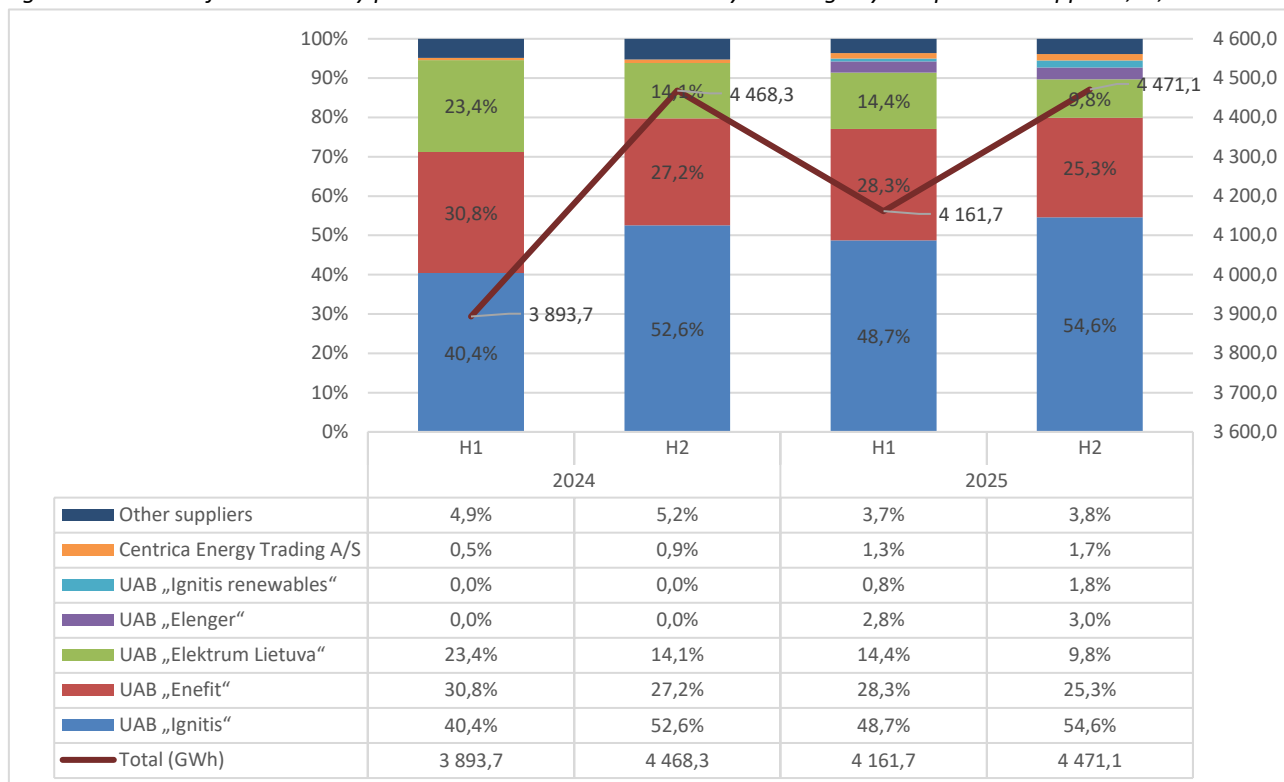
Fig. 11. Structure of the electricity sales market on the electricity exchange by company, %, 2024-2025



Source: NERC

In 2025, the largest purchases of electricity on the electricity exchange were made by UAB "Ignitis" (51.8%), UAB "Enefit" (26.8%), UAB "Elektrum Lietuva" (12.0%).

Fig. 12. Structure of the electricity purchase market on the electricity exchange by independent suppliers, %, 2024-2025



Source: NERC

3.2.2. Retail market

- Monitoring price levels, transparency levels, level and effectiveness of market opening and competition
- Article 59(1)(o) of Directive (EU) 2019/944: Market opening and competition

The retail market is, in principle, monitored and controlled under the same principles as those set out in Section 3.2.1. Since 2013, all non-household customers have been paying for their electricity at market prices and, if necessary, guaranteed supply to these consumers is ensured for a maximum of six months. Household consumers also have the right to choose an independent electricity supplier and to purchase electricity on the market or under bilateral contracts.

The number of consumers in the country in 2025, compared to 2024, increased from 1,896,804 to 1,916,614, of which 1,727,209 (90.1%) are household consumers.

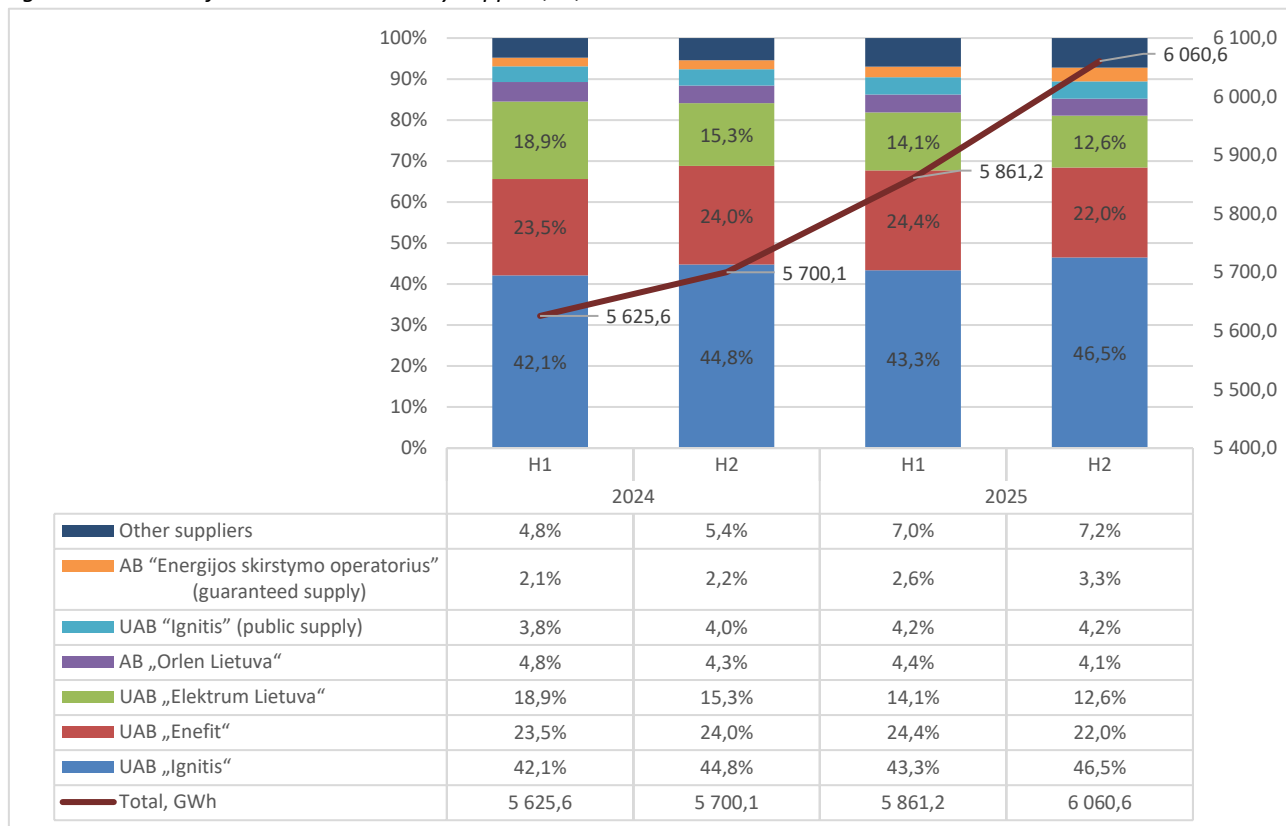
The consumption of non-household customers purchasing electricity at public prices changed marginally and amounted to 0.110 TWh in 2025 (0.108 TWh in 2024). Consumption by household customers purchasing electricity at public prices amounted to 0.392 TWh in 2025, showing an increase of 17.33% as compared to 2024 (0.334 TWh).

The number of household consumers who purchased electricity from independent electricity suppliers increased from 1,238,727 to 1,246,274 in 2025, compared with the previous year.

In 2025, the three largest independent electricity suppliers in the retail independent supply market were: UAB “Ignitis”, UAB “Enefit”, and UAB “Elektrum Lietuva”. In terms of electricity supplied to

the market, their share in the retail market was 81.4%. Among the largest independent electricity suppliers in 2025, UAB “Ignitis” (+1.5%) increased its market share, as compared to 2024.

Fig. 13. Structure of retail market sales by supplier, %, 2024-2025



Source: NERC

The average retail price applied by the public supplier in the second half of 2025 for a typical household consumer was 7.503 ct/kWh (cost of electricity purchase, taking into account the excess revenue collected by the supplier that is to be refunded to consumers), in the first half of 2026, it was 7.948 ct/kWh for consumers without vulnerable consumer status (cost of electricity purchase) and 4.643 ct/kWh for household consumers with vulnerable consumer status.

In the second half of 2025, the public electricity price for household consumers purchasing electricity from low-voltage networks was 16.479 ct/kWh (excluding VAT), in the first half of 2026, the price for consumers without vulnerable consumer status was 17.877 ct/kWh (excluding VAT), and for consumers with vulnerable consumer status – 14.572 ct/kWh (excluding VAT).

In 2025, NERC completed unscheduled inspections of AB “Litgrid” and UAB “Kauno termofikacijos elektrinė”:

- The inspection of AB “Litgrid” revealed that, by submitting an erroneous order to sell 410 MWh of electricity on the intraday market organised by Nord Pool AS and, on that basis, entering into a transaction to sell 410 MWh of electricity at EUR 143/MWh, it breached the requirement of Article 5 of the REMIT Regulation, which prohibits market manipulation in wholesale energy markets, and unjustifiably included costs of EUR 410,566.85 in the price cap for transmission activity costs for 2025. On this basis, AB “Litgrid” is required to revise its 2022 regulated activity reports, while NERC will assess the difference of EUR 410,566.85 in costs allocated to technical and own-use purposes when determining the company’s regulated price cap for 2027 and/or subsequent years.

- The inspection of UAB “Kauno termofikacijos elektrinė” revealed that the company had incorrectly allocated the security-related costs of natural gas between the service of ensuring the operation of the regulated isolated energy system and its non-regulated activities. On that basis, the company has been ordered to repay AB “Litgrid” EUR 86,000 in revenue received from it without justification.

In 2025-2026, NERC continued inspections of electricity suppliers, during which it assessed whether electricity suppliers had used the compensation received from the state budget for its intended purpose, i.e. to reduce electricity purchase prices for household consumers during the energy crisis. Inspections of two electricity suppliers (UAB “Kauno termofikacijos elektrinė” and MB “Birštono Elektra”) were completed; in both cases, the suppliers were ordered to repay part of the funds received to the state budget: UAB “Kauno termofikacijos elektrinė” was ordered to repay EUR 368, and MB “Birštono elektra” was ordered to repay EUR 16,696.

In 2025, NERC launched an inspection of UAB “Offshore wind farm1”, the aim of which was to assess whether the company had properly complied with the requirement under the Law on Renewable Energy Sources not to authorise other persons to carry out activities under the company’s licence to use a part of the maritime territory for the development and operation of power plants using renewable energy sources.

- Article 59(1)(o) of Directive (EU) 2019/944: Prices for household consumers

Since 1 July 2025, a new tariff plan “Effective” for the transmission service, which includes a power component, has been presented on the market for household consumers. The plan aims at a more effective use of the network, encouraging household consumers to renounce the power they do not use. Consumers may choose this plan on their own. The single-time zone tariff “Effective” provides for a power component of EUR 1 per kW/month (with VAT) and an energy component that is 8.6% to 22.9% lower.

Household consumers, like non-household consumers, have the right to choose an independent electricity supplier and purchase their electricity on the market or through bilateral contracts. Household consumers who have not chosen an independent electricity supplier, as well as vulnerable consumers, are supplied with electricity at the public electricity price by a public supplier operating in the territory specified in the license.

Compared to the previous year, the average annual consumption per household has increased from 1,833 kWh to 1,897 kWh (increase of 3.5%).

UAB “Ignitis” carries out both public electricity supply and independent electricity supply activities. In 2025, this company supplied 66.2% of the total electricity consumed by household customers, of which 18.1% was supplied at the public electricity price (18.9% in 2024). In 2025, the share of publicly supplied electricity in the retail market accounted for 12% of total electricity consumption by household consumers (11% in 2024).

According to the provisions of the LE, for electricity consumers whose facilities are connected to electricity networks managed by TSO, the guaranteed electricity supply is ensured by DSO serving more than 100,000 consumers, and for electricity consumers whose facilities are connected to electricity networks managed by DSO, the guaranteed electricity supply is ensured by DSO. At the

end of December 2025, 40,524 household consumers were covered by the services of the guaranteed supplier (40,674 household consumers in 2024).

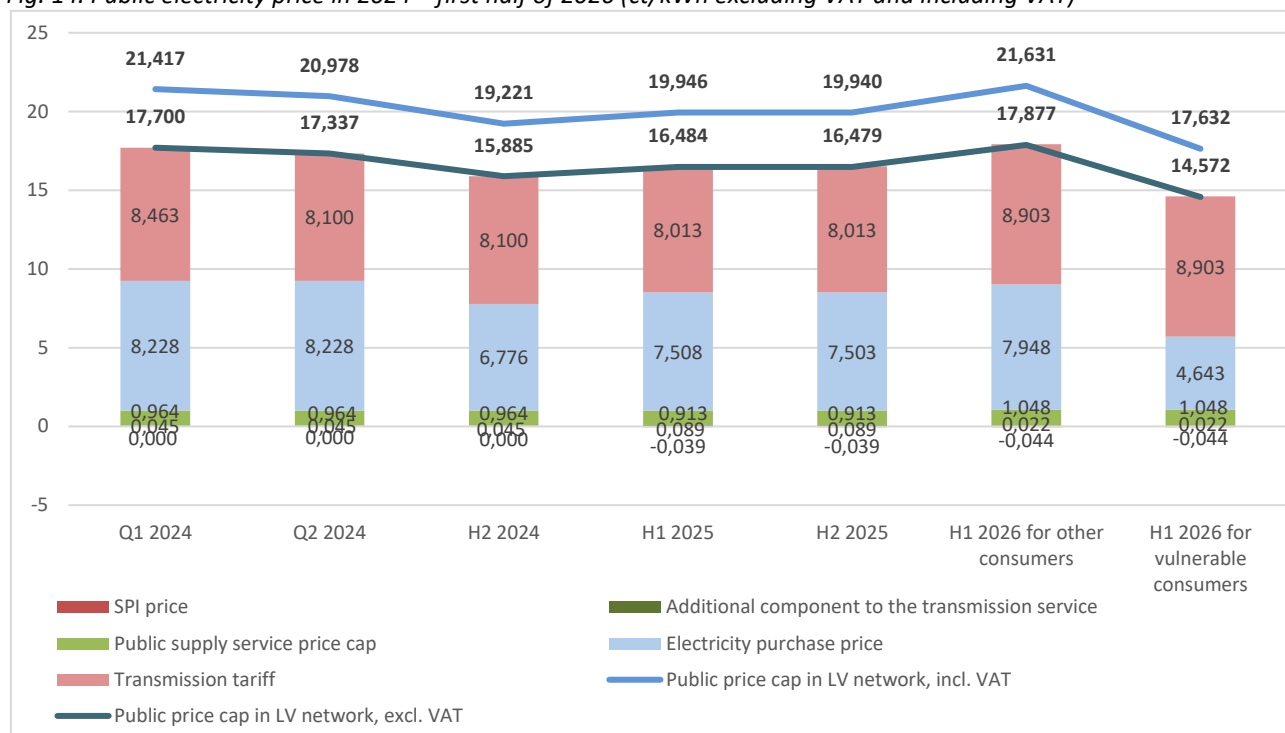
Price cap for public electricity supply: following the adoption of amendments to the Law on Electricity of the Republic of Lithuania, all small household electricity consumers (consuming less than 1,000 kWh per year) and vulnerable electricity consumers, i.e. low-income residents receiving social benefits and people with disabilities, will be able to access the public electricity supply until 1 January 2030.

For 2026, a price cap of 1.048 ct/kWh has been set for UAB “Ignitis” for the public electricity supply service. Compared with 2025 (0.913 ct/kWh), this is 0.135 ct/kWh higher. The price increase is due to a rise in operating costs, adjusted for the projected change in wages; the increase in the price cap is also influenced by the rising liberalisation coefficient resulting from the planned increase in the number of facilities.

NERC sets the price cap for electricity retail every six months. Accordingly, the price caps for the second half of 2025 were set in May 2025, and the price caps for the first half of 2026 was set in November 2025. The price caps of electricity retail for the first half of 2026 for consumers who do not have vulnerable consumer status and are connected to medium-voltage networks was approximately 4% higher than in the second half of 2025. For consumers who do not have vulnerable consumer status and are connected to the low-voltage network, the price cap increased by around 8.5%. Meanwhile, for consumers with vulnerable consumer status connected to medium-voltage networks, the price cap decreased by around 27.5% compared with the second half of 2025, and for vulnerable consumers connected to the low-voltage network, by around 11.6%. Within these prices, the proportion regulated by NERC decreased by 1% for medium-voltage network consumers and increased by 10.6% for low-voltage consumers; however, the overall price increase was driven by the higher cost of electricity procurement. Household consumers using the public electricity supply service are subject to public tariffs, which are differentiated by the public supplier and approved by NERC. The price of electricity to the end user consists of:

- purchase price;
- SPI price;
- price for purchasing ancillary services (formerly, system services);
- transmission service price;
- price for distribution services over medium- and low-voltage networks;
- supply price;
- additional component.

Fig. 14. Public electricity price in 2024 – first half of 2026 (ct/kWh excluding VAT and including VAT)



Source: NERC

- Article 59(1)(o) of Directive (EU) 2019/944: Pre-payment system

The pre-payment system applies to the following services provided by the largest DSO:

- disconnection-connection upon request of the client;
- disconnection-connection after payment of the debt;
- other.

The pre-payment system for consumers purchasing electricity from a public electricity supplier applies to the services listed in the table below.

Table 5. Services of a public electricity supplier subject to a prepayment system

Service group	Service explanation/comments
Remuneration for bailiff's actions	Applies to clients whose debt has been referred to bailiffs for recovery.
Remuneration for notarial acts	Applies to clients who have signed bills of exchange and have not paid them on time, the notary is paid a fee for issuing the enforcement record.
Advance payment for electricity consumed	The service has never been provided.
Penalty for failure to fulfil contractual obligations	The service has never been provided.
Legal action administration fee (lawyer's services, commission fee for payment order and confirmation of stamp duty payment order, other costs)	Applicable to clients whose debt has been taken to court, judicial debt recovery has been carried out.
For interest awarded by the court	The service has never been provided.
Stamp duty	Applies to clients whose debt has been referred to court.

Source: NERC

- Article 59(1)(o) of Directive (EU) 2019/944: Dynamic price contracts

At the end of 2025, around 200,895 dynamic price contracts and exchange-linked plan contracts were concluded with household consumers; compared with the end of 2024 (approximately 205,514 contracts), this represents a slight decrease of 2.2%. In the second half of 2022, smart meters were launched, allowing consumers to start choosing dynamic price contracts more actively (about 10,000 dynamic price contracts in 2022). For consumers with smart meters, the DSO AB “Energijos skirstymo operatorius” offers an electricity tariff plan called “Smart”, in which the following time intervals are applied: night, morning, day and evening energy components. The Saturday, Sunday and public holidays time intervals are split into the corresponding time intervals of energy components of Night and Day.

Since 1 July 2025, the tariff plan “Smart” has been renamed to 4-time zone tariff “Standard”.

- Article 59(1)(o) of Directive (EU) 2019/944: Smart meter use

According to the most relevant data, 1.3 million smart meters had been installed in Lithuania by 11 July 2025. By 17 February 2025, 1.07 million smart meters had been installed.

DSO AB “Energijos skirstymo operatorius” began mass installation of smart electricity meters for commercial consumers and household consumers with the consumption of more than 1,000 kWh/year in the second half of 2022. NERC is remotely monitoring the project, i.e. AB “Energijos skirstymo operatorius” developed a monitoring system and has received the approval of NERC. In 2022, 2023 and 2024, AB “Energijos skirstymo operatorius” submitted to NERC project implementation reports and supporting documents confirming that the financial and economic benefits generated are in line with the financial and economic indicators set out in the investment project coordinated by NERC.

In 2024, all the modules foreseen in the project have been completed, enabling market participants (independent suppliers, operators, demand aggregators, third parties) to exchange data via the Data Hub.

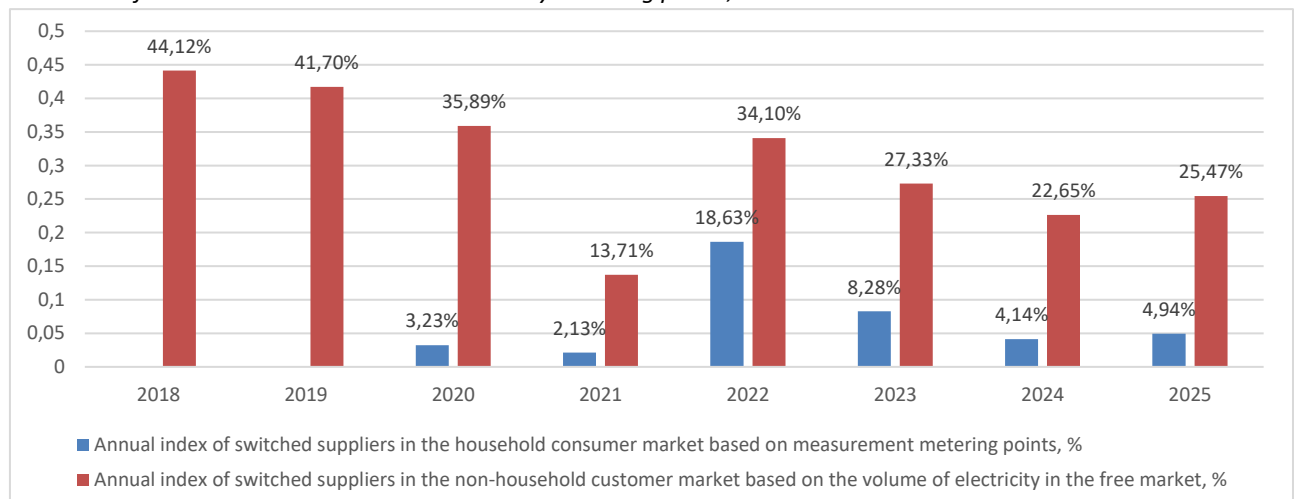
- Article 59(1)(o) of Directive (EU) 2019/944: Electricity supplier switching index

Following the adoption of the amendments to the LE in May 2020 and with the launch of the liberalisation of the electricity supply market for household consumers, household consumers, like commercial consumers, also have the right to choose an independent electricity supplier and to buy electricity on the market or under bilateral contracts. By 9 March 2026, an independent electricity supplier has been chosen by 97% (94,911 consumers) of consumers in Stage I, 94% (693,975 consumers) of consumers in Stage II, and 50% (464,142 consumers) of consumers in Stage III, and a total of 1,254,290 consumers (with the total number consumers in Stages I to III exceeding 1,766 million). In 2021, it was decided to extend the deadline for Stage II consumers (consuming 1,000-5,000 kWh/year) for choosing a supplier and concluding a contract to 18 June 2022. In 2022, it was decided to extend the deadline for Stage III consumers (consuming up to 1,000 kWh/year) for choosing a supplier and concluding a contract to 1 January 2026. On 13 February 2025, a draft amendment to the LE was submitted, proposing to extend the liberalization of the electricity market for another four years, i.e. until the beginning of 2030, and to

allow small consumers consuming up to 1,000 kWh of electricity per year, as well as vulnerable consumers (receiving social benefits or disabled) household consumers, to use public electricity supply. Following the adoption of the amendments to the LE, vulnerable consumers and those with the lowest electricity consumption have been given the option to remain on the public supply scheme until 2030. They also have the right to choose an independent supplier at any time and, having done so, to return to the public supply scheme.

The figure below shows the annual index of switched suppliers in the non-household consumer market by the volume of electricity and in the household consumer market by number of measurement metering points. In 2025, the annual index of switched suppliers in the non-household consumer market based on the volume of electricity in the free market was 25.47% and in the household consumer market based on the number of metering points was 4.94%. In 2025, the annual switching index for the non-household consumer market in terms of the electricity volume on the free market increased by 2.82% and for the household consumer market in terms of the number of metering points increased by 0.8%, compared to 2024.

Fig. 15. Annual switching index in 2018-2025 for the non-household consumer market by electricity volume on the free market and for the household consumer market by metering points, %.



Source: NERC

- Article 59(1)(o) of Directive (EU) 2019/944: Charges for maintenance services

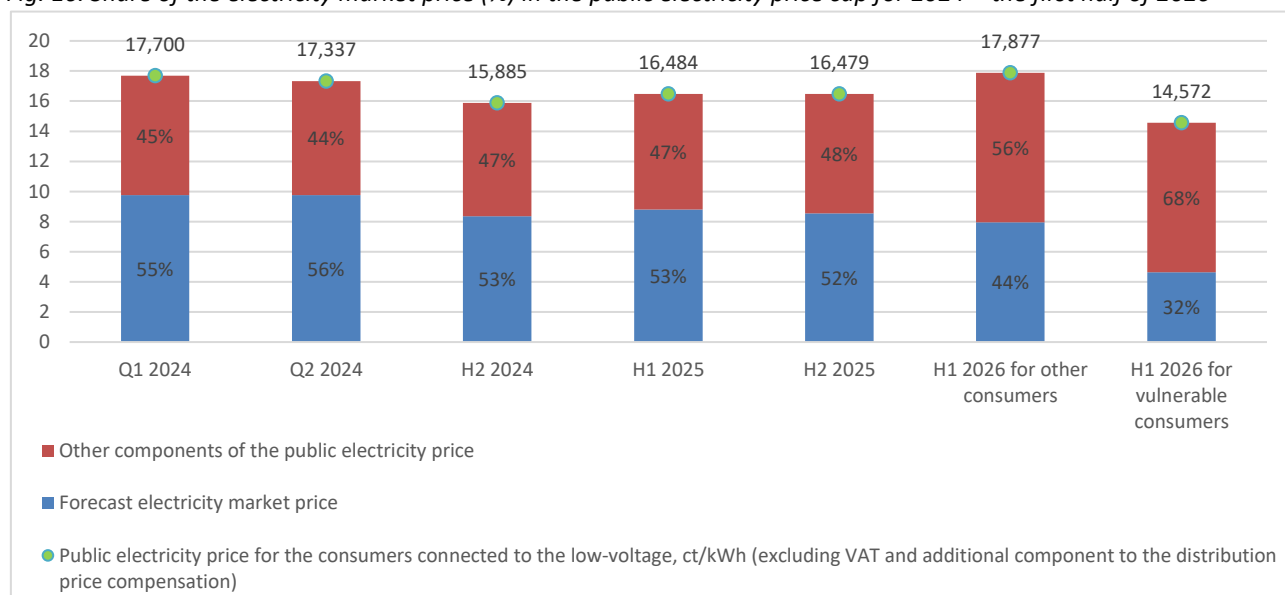
NERC assesses the repair, maintenance and operation, personnel, administrative and other costs of electricity transmission and of the main DSOs (AB “Litgrid” and AB “Energijos skirstymo operatorius”) and small DSOs (AB “Achema”, AB “Akmenės cementas”, UAB “Dainavos Elektra”) according to the annual reports on the regulatory activities. Economically justified maintenance costs of electricity transmission activities and electricity distribution activities are included when setting the price cap for the TSO transmission service and the price caps for the DSO distribution services over medium and low voltage networks.

- Article 59(1)(o) of Directive (EU) 2019/944: Relationship between household and wholesale prices

In accordance with the Methodology for Setting of the Price Cap for Electricity Transmission, Distribution and Public Supply Services and of Public Supply, as approved by NERC, one of the

components of the public electricity price is the purchase price of electricity. This price consists of the forecast electricity market price, determined by NERC in accordance with the Methodology for Setting of the Forecast Electricity Market Price and Reference Price, as approved by NERC, and other costs related to the purchase of electricity, such as electricity exchange fees, electricity balancing costs, and the adjustment of the share of the forecast and actual costs of the purchase of electricity. From September 2025, following a change to the methodology, the price of electricity purchased on the exchange will be forecast by the public supplier.

Fig. 16. Share of the electricity market price (%) in the public electricity price cap for 2024 – the first half of 2026



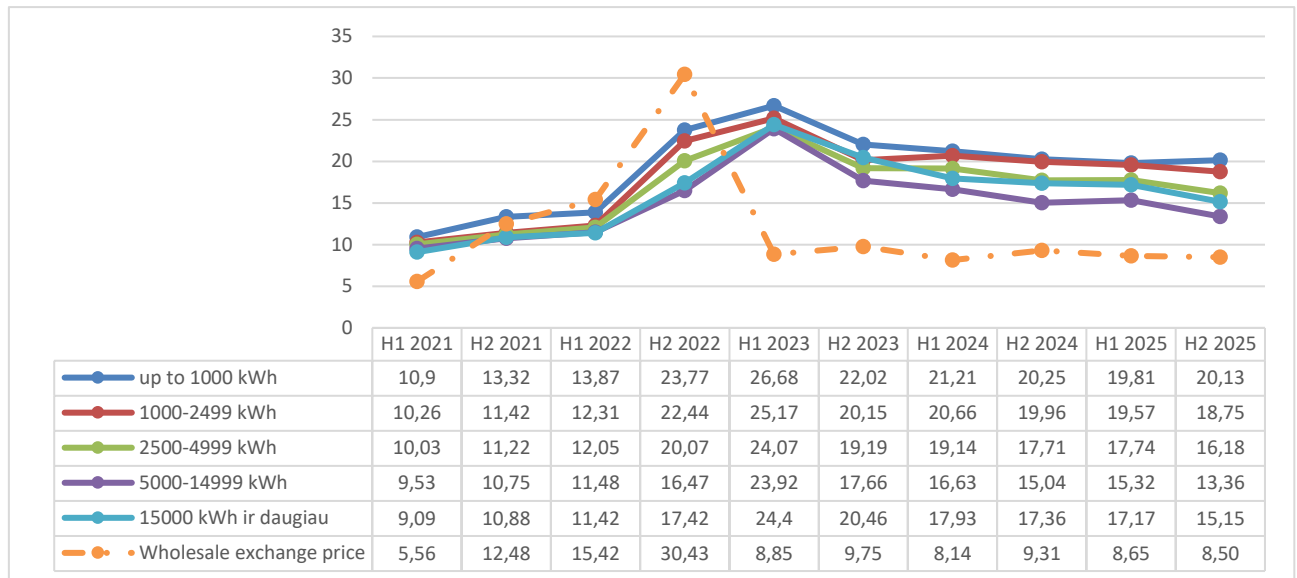
Note: The forecast electricity price for 2026 is provided by the public supplier.

Source: NERC

The forecast electricity market price for 2025 accounted for 52% and 53%, respectively, of the public electricity purchase price applicable to household electricity consumers (first half of 2025 and second half of 2025) of the total public electricity price applicable to consumers connected to low-voltage networks. In the first half of 2026, the electricity purchase price for other consumers, who do not have vulnerable consumer status, amounts to 44%, while for those with vulnerable consumer status it amounts to 32%.

On the Nord Pool electricity exchange, the price of electricity decreased fairly steadily in 2024 and 2025. Taking into account seasonal fluctuations during the colder months, the average annual electricity price decreased by around 6%, from EUR 89.69/MWh in December 2024 to EUR 83.94/MWh in December 2025. The average 2025 exchange price (EUR 85.31/MWh) fell by 2.32% compared with 2024 (EUR 87.34/MWh).

Fig. 17. Development of the average electricity market price (ct/kWh) for household consumers and the average electricity price (ct/kWh) on the Nord Pool exchange in the first half of 2021 – second half of 2025



Source: Nord Pool, Eurostat, NERC calculations

According to Eurostat data (<https://ec.europa.eu/eurostat/data/database>), in the second half of 2025, the average electricity price for household electricity consumers consuming up to 1,000 kWh from 2021 increased by about 85% (from 10.90 ct/kWh in 2021 to 20.13 ct/kWh in 2025), but the comparison of the average purchase price of electricity in the second half of 2025 with the price in the first half of 2025 shows a decrease of around 1.70%.

- Article 59(1)(o) of Directive (EU) 2019/944: Distortion or restriction of competition

Article 8(9)(15) of the Law on Energy establishes that NERC should monitor whether there are any occurrences of contractual practice that restrict competition, including exclusivity clauses, which may prevent or restrict large non-household consumers from entering into simultaneous contracts with more than one supplier.

The procedures for submitting information on distortions or restrictions on the electricity market, including the provision of appropriate information, and for submitting investigations of relevant cases on the market to the Competition Council of the Republic of Lithuania should be carried out in accordance with the procedures established by law. NERC carries out market research in order to ensure effective competition in the electricity sector and, at the same time, to prevent market participants from applying excessive prices or price pressure to the detriment of market participants due to lack of effective competition. It should be noted that no such cases were identified in 2025.

- Article 59(1)(s), Article 5(1) of Directive (EU) 2019/944: Competitive prices

Pursuant to the provisions of the Law on Energy, once every five years, NERC publishes recommendations related to the compliance of prices for the services in the energy sector with transparency, non-discrimination and other requirements laid down in legislation and submits them to the Competition Council of the Republic of Lithuania. NERC approved these recommendations by Resolution No O3-373 of 19 June 2015 "Regarding the Approval of the 2015 Recommendations Relating to Compliance of Prices for the Services Within the Energy Sector with Transparency,

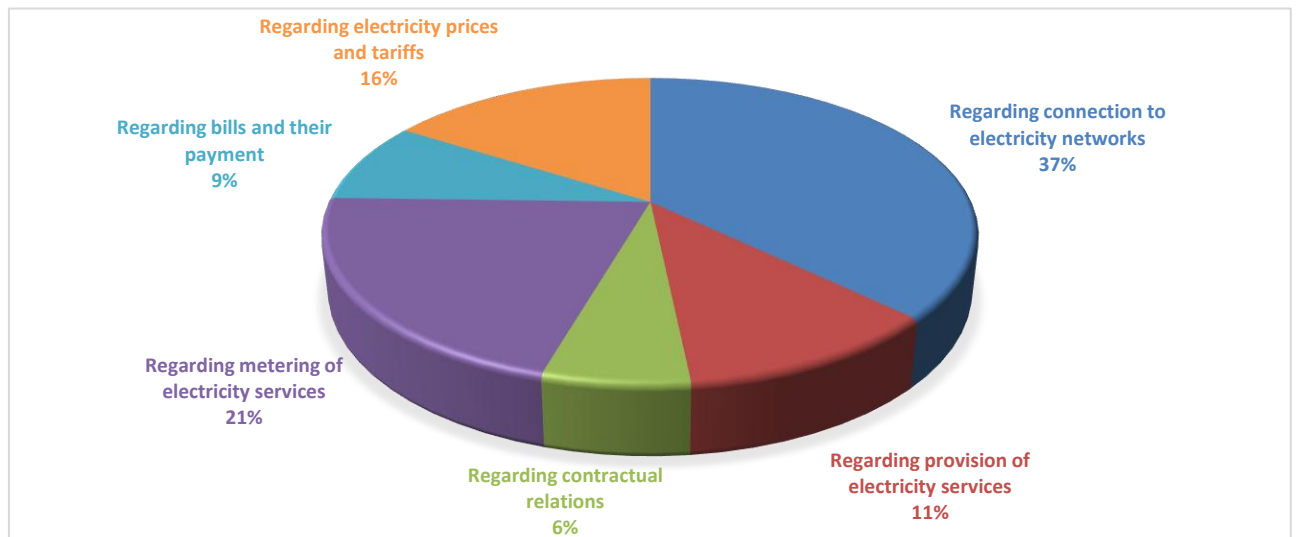
Non-discrimination and Other requirements Laid Down in Legislation”¹². They are published on the NERC website¹³. The most recent recommendations will be drawn up and published in the nearest future.

For more information on electricity prices and competition in the retail market, see “Market opening and competition”.

- **Consumer protection and examination of applications**
- Article 59(1)(o) of Directive (EU) 2019/944: Complaints by household consumers

In 2025, NERC received 912 applications from natural persons concerning the electricity sector. It should be noted that a single application often concerns several issues (e.g. billing and applicable prices, billing and accounting, service provision and applicable prices), which means that the number of applications received is lower than the total number of applications by their type.

Fig. 18. Distribution of applications in the electricity sector in 2025 (%) by the type of the application



Source: NERC

- Article 59(1)(o) of Directive (EU) 2019/944: Disconnection of consumers from the electricity network

In 2025, AB “Energijos skirstymo operatorius” interrupted the transfer of electricity to 8,374 consumers, including 5,665 household consumers, due to unpaid debts. In the case of debt, the interruption of electricity is carried out at any time of the year. No power cuts are performed where:

- maximum daily air temperature is below minus 15 (fifteen) degrees Celsius;
- maximum daily air temperature is above plus 30 (thirty) degrees Celsius;
- on Fridays, Saturdays, Sundays, public holidays and pre-holidays, except in certain cases where the temporary interruption of the transfer of electricity is not due to the fault of the network user, and the interruption of the transfer of electricity is due to the fault of the

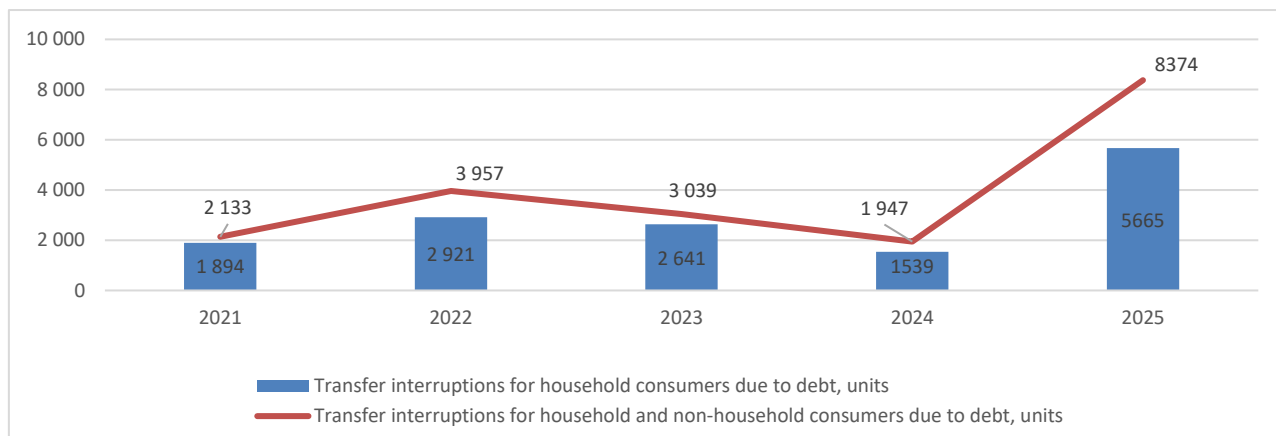
¹² https://www.vert.lt/Docs/nutarimas_373_.pdf

¹³ <https://www.vert.lt/Puslapiai/statine/komisijos-nutarimu-sarasas.aspx>.

network user. In such cases, the supply to the consumer may be interrupted on the day following the end of the circumstances set out in this point, provided that the vulnerable consumer has been notified about that in accordance with the procedure laid down in the Rules for the Supply and Use of Electricity and in the other legal acts implementing the LE.

The average number of working days between the date of notice of payment and the date of disconnection, if payment is not made, is 20 working days.

Fig. 19. Electricity transfer interruptions due to debt in 2021-2025



Source: NERC

- Article 59(1)(p) of Directive (EU) 2019/944: Restrictive contractual practices

No restrictive contractual practices were identified in 2025.

- Articles 5(2) and 59(1)(s) of Directive (EU) 2019/944: Protection of vulnerable consumers and consumers in energy poverty

Measures for the protection of vulnerable customers are provided for in the LE and the Description of the Procedure for the Application of Additional Guarantees for Socially Vulnerable Electricity Consumers approved by Resolution No 527 of the Government of the Republic of Lithuania of 27 May 2015 “On the Approval of the Description of the Procedure for the Application of Additional Guarantees for Socially Vulnerable Electricity Consumers”.

Under the LE, household consumers, including vulnerable consumers, have the right to:

- 1) unilaterally terminate, free of charge, the electricity transfer service contract and/or electricity sale and purchase contract upon notifying the network operator and/or supplier in writing no later than 2 weeks prior to the planned agreement termination date;
- 2) conclude electricity sale and purchase contracts of indefinite duration with the public supplier in cases where the household consumer does not choose an independent electricity supplier or the independent supplier of their choice fails to fulfil the assumed obligations and the household consumer intends to purchase electricity from the public supplier, as well as an electricity sale-purchase contract of indefinite duration with an independent supplier and an electricity transfer service contract with the distribution network operator.

It should be noted that as part of the liberalisation of the electricity market, the public supplier had to ensure the public supply of electricity to vulnerable consumers until 1 January 2026. However, an amendment to the LE has been adopted extending the liberalisation of the electricity market for another four years, i.e. until 1 January 2030, and allowing small consumers consuming up to 1,000 kilowatt-hours (kWh) of electricity per year, as well as socially vulnerable or disabled household consumers and (or) people receiving retirement benefits or social benefits in accordance with the Law on Social Insurance Pensions of the Republic of Lithuania to use public electricity supply.

The LE also provides additional measures for the protection of the rights and legitimate interests of vulnerable consumers. Vulnerable consumers should not be subject to restriction and/or interruption of the supply and/or transfer of electricity where they fail to pay or partially pay for the electricity supplied for the electricity transfer service or other related services within a specified period of time, provided that the debt of such vulnerable consumers to the distribution network operator or supplier amounts or amounted up to 3 times the basic social benefit. Vulnerable consumers and people in energy poverty should not be subject to restriction and/or interruption of the supply and/or transfer of electricity where they fail to pay or partially pay for the electricity supplied for the electricity transfer service or other related services within a specified period of time, provided that the debt of such vulnerable consumers or people in energy poverty to the guaranteed electricity supplier or supplier amounts or amounted up to 6 times the basic social benefit, except in the cases provided for in Article 71 and Article 72(1) and (3) of the LE.

Vulnerable consumers should not be subject to restriction and/or interruption of the supply and/or transfer of electricity where they fail to pay for the electricity supplied, the electricity transfer service or other related services on Fridays, Saturdays, Sundays, public holidays and pre-holiday days, or in cases where the maximum daily air temperature is below minus 15 °C or above plus 30 °C, except for cases provided in articles 71 and 72(1) and (3) of the Law. In such cases, the supply to the consumer may be interrupted on the day following the end of the aforementioned specified circumstances, provided that the vulnerable consumer and the person in energy poverty has been notified in accordance with the procedure laid down the Rules of Supply and Use of Electricity and other legislation implementing the Law.

Vulnerable consumers shall have the right to settle with the guaranteed electricity supplier or supplier by the last day of the month following the calendar month during which the electricity is transferred and/or supplied or other related services are provided to the consumer (unless longer settlement periods have been agreed upon at the request of the vulnerable consumer or the person in energy poverty). For vulnerable consumers, when connecting electrical equipment to electricity networks managed by the DSO, if the connection fee exceeds EUR 600, 60% of the connection fee will be paid within 10 calendar days of the signing of the consumer's connection service agreement, and the remainder of the fee will be paid within 10 calendar days following the completion of the contracting works. The connection service should be provided once the first instalment of the connection service fee has been paid by the vulnerable consumer or the person in energy poverty. The DSO should notify the vulnerable consumer or the person in energy poverty of the completion of the contracted works and deliver to the vulnerable consumer or the person in energy poverty the documents necessary for payment in accordance with the procedure set out in the connection service contract.

In addition, where vulnerable consumers or people in energy poverty fail to pay or partially pay for the electricity supplied for the electricity transfer service or other related services within the

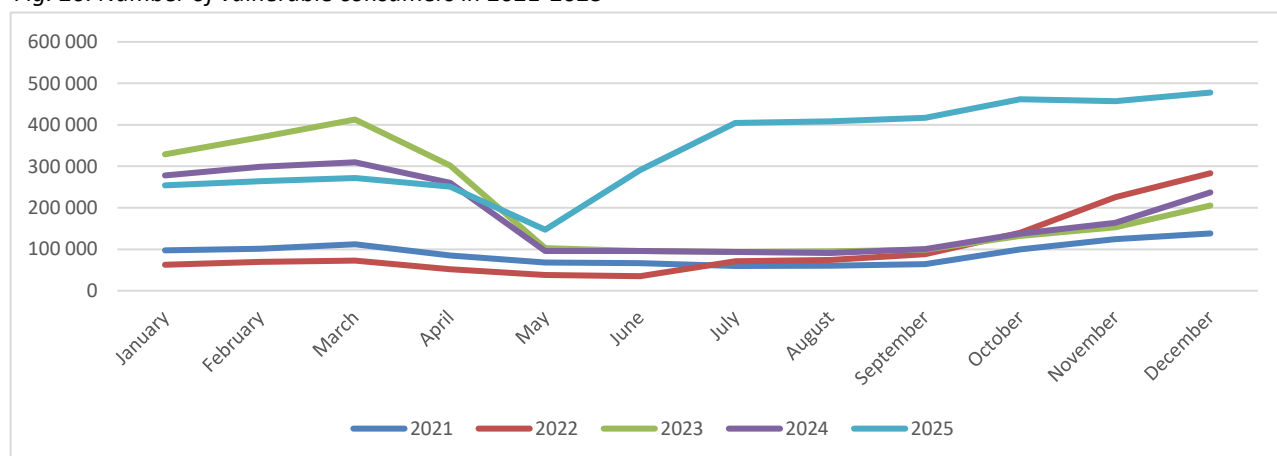
prescribed time limit, no interest will be charged for 3 months from the date of the missed deadline. Vulnerable consumers have the right to submit a request to their guaranteed electricity supplier or supplier to arrange for the debt for electricity consumed, including transmission and related services, as well as services of public interest, to be paid in instalments, by drawing up a repayment schedule for a period not exceeding 12 months. A repeat request to pay the debt for electricity consumed, including transmission and related services as well as services of public interest, in instalments may only be submitted once the vulnerable consumer or a person in energy poverty has settled their debt with the guaranteed electricity supplier or the supplier in accordance with a previously agreed repayment schedule in instalments. A guaranteed electricity supplier or a supplier who has concluded an electricity purchase, sale and transmission service contract or a fixed-price contract with a vulnerable consumer or a person in energy poverty, shall, upon detecting an increase in electricity consumption of 30% or more compared with the previous month, inform such a consumer of the changes in electricity consumption.

The smart metering system should be installed free of charge at the request of a vulnerable consumer when such a request is made by a vulnerable consumer or a consumer who is disabled, as defined in the Law on Social Integration of Persons with Disabilities of the Republic of Lithuania.

The Description of the Procedure for the Application of Additional Guarantees for Socially Vulnerable Electricity Consumers, approved by the Government of the Republic of Lithuania, stipulates that if a vulnerable consumer wishes to receive a hard copy of the payment document, the DSO or the public supplier cannot require the consumer to cover the costs of the provision of such hard copy.

The LE also provides for additional measures to protect the rights and legitimate interests of vulnerable consumers. To ensure that vulnerable consumers can pay a lower price for electricity, it is proposed that the LE grants independent electricity suppliers the right to unilaterally terminate fixed-price contracts with vulnerable consumers in cases where the price set in such contracts is higher than the public tariff. Upon termination of such a contract, a resident with vulnerable consumer status would automatically begin to receive electricity under public supply conditions, ensuring a lower price. At the same time, important safeguards are provided for: consumers would be informed of the planned termination of the contract no later than 30 calendar days in advance and would have the opportunity to object and retain their existing contract with an independent electricity supplier. It is expected that these changes will help more vulnerable consumers benefit from lower electricity prices and reduce their financial burden.

Fig. 20. Number of vulnerable consumers in 2021-2025



Source: NERC

The number of socially vulnerable consumers has increased since June 2025, as the definition of a socially vulnerable person has been expanded (to include both people with disabilities and those receiving social security benefits)

- Articles 5(3), 5(4) and 59(1)(s) of Directive (EU) 2019/944: Intervention by setting electricity prices for vulnerable household consumers

Under the provisions of the LE, vulnerable consumers are supplied with electricity by a public electricity supplier at the price of public electricity supply. This price is regulated by the State. More information on the prices of the public electricity supply applied to vulnerable consumers is provided in the section “Prices for household consumers”.

Vulnerable electricity consumers also have the right to choose an independent electricity supplier.

- Article 59(1)(t) of Directive (EU) 2019/944: Customer consumption data

Under the provisions of the LE, consumers have the right to have access to their electricity consumption data, including the amount of electricity consumed, and, by giving consent in writing or by means of electronic communications, to allow any supplier to have free access to their electricity consumption data, which the consumer has the right to receive free of charge.

The network operator is responsible for organising the metering and accounting of the electricity transferred through the electricity networks managed by them. The amount of electricity consumed by consumers connected to the distribution networks and purchasing electricity from public or independent suppliers, as determined by the network operators on the basis of the readings of metering devices, is recognised by the TSO as the actual amount of electricity consumed, which must be purchased by the public or independent supplier.

At the end of the calendar month, the DSO must submit to the supplier, not later than within 5 (five) working days, the available data on the quantities of electricity received from the distribution network and/or delivered to the distribution network by the network users in the territory specified in the DSO’s operating licence, who have concluded contracts for the purchase and/or sale of electricity with this supplier.

If the electricity metering device is not connected to the DSO’s automated data reading system, consumers can:

- declare their consumption data on the operator's self-service website;
- the amount of electricity consumed may be calculated on the basis of the annual average electricity consumption if the consumer does not provide actual readings by the deadline set in the contract.

If the electricity metering device is connected to the DSO’s automated data reading system, consumers can view their consumption data on the operator’s self-service website, and the consumers do not need to declare them themselves.

- Article 59(1)(y) and Article 14 of Directive (EU) 2019/944: Availability of comparison tool for suppliers' offers

In September 2021, NERC launched a new electricity price comparison calculator for household consumers – a tool that facilitates the process of choosing an independent electricity supplier and provides consumers with more comprehensive information on electricity tariffs charged by suppliers. The calculator allows for the comparison of the offers of different independent electricity suppliers according to the criteria that are relevant to consumers: the consumer's annual (monthly) electricity consumption, the number of time zones, the fixed- or variable-price contracts, the demand for renewable energy, the duration of the price lock-in offered in the plan (1 to 12 months, 13 to 24 months, 25 to 36 months or price offers of more than 3 years), the duration of the contract and the supplier. Once the criteria have been selected, the consumer is presented with the plans offered by the suppliers, ranked from the cheapest to the most expensive ones. The calculator is available on the NERC website at <https://skaiciuokle.vert.lt/>. This calculator is being improved to enable micro and small undertakings to compare offers from independent electricity suppliers, however, this comparison is complicated by the fact that Lithuanian electricity suppliers provide offers to micro and small undertakings on an individual basis, i.e. these offers are not standardized and are not made public. In 2025, consumers visited the calculator 105,037 times.

- Article 59(1)(z) of Directive (EU) 2019/944: Obstacles to and restrictions of consumption of self-generated electricity and the development of citizen energy communities

In 2022, an amendment to the LE entered into force, introducing the concepts of active consumers and CECs, and their rights and obligations. Under the law, both active consumers and CECs can consume electricity generated in power plants they own, as well as sell electricity to other persons or to members of the community.

NERC monitors the change in the number of prosumers who are entitled to consume the electricity generated by their owned or otherwise operated power plants (by supplying it to the network and later withdrawing it). The rapid growth in the number of prosumers suggests that there are no significant barriers to the consumption of self-generated electricity.

In 2023, NERC approved a procedure for individuals to apply for the CEC status. By 31 December 2025, NERC granted the CEC status to 35 communities, i.e. the number of communities with the CEC status has increased 1.5 times compared to 2024.

4. GAS MARKET

4.1. Network regulation

- Network and LNG tariffs for connection and access
- Report on the relevant new tariff regulation provisions

Setting the revenue cap

NERC sets the revenue cap for natural gas services for a five-year period, which is subject to annual adjustments. NERC approves the specific transmission, distribution, and LNG regasification prices once a year after verifying that they do not discriminate against separate customer groups and do not exceed the set revenue cap.

- Article 41(1)(a) and (6)(a) of Directive 2009/73/EC

Transmission activities

Transmission activities are carried out in Lithuania by the sole TSO – AB “Amber Grid”. The transmission activities are based on an entry and exit point pricing model, with revenue cap set and adjusted at the entry and exit points of the transmission system.

Following the expiry of the transit agreement concluded on 23 December 2015, the model for calculating individual gas transmission prices is being withdrawn. NERC has approved amendments to the methodology for determining revenue and prices for natural gas transmission activities, which are based on a uniform EU entry-exit point pricing system. The amendments aim to ensure more transparent pricing of transit services in line with European standards and the separation of transit costs from transmission service costs. In 2025, revenue from transit operations (EUR 23.1 million) covered the costs allocated to these operations (EUR 20.1 million) – a difference of EUR 3 million.

NERC has set a revenue cap of EUR 82,953 thousand on AB “Amber Grid” natural gas transmission for 2026 (the company’s revenue level for 2025 is EUR 63,828 thousand), which is 30% higher than in 2025. The main reason for this increase is a higher result on the regulatory account, i.e. due to differences between forecast and actual costs and the return on investment.

Having verified that the prices for natural gas transmission services submitted by AB “Amber Grid” do not exceed the established revenue cap, are correctly differentiated to avoid cross-subsidisation between groups of system users, and are reasonable and objective, NERC approved the prices proposed by AB “Amber Grid” to be applied from 1 January 2026, which represent an average reduction of 5% for Lithuanian consumers compared with the prices in force in 2025.

Distribution activities

In 2024, NERC adjusted the price caps for AB “Energijos skirstymo operatorius”, UAB “Gren Lietuva”, AB agrofirm “Josvainiai” and UAB “Intergas”, and approved the specific prices for these four distribution operators.

Table 6. Dynamics of distribution revenue caps in the natural gas sector, EUR thousand, 2025-2026

Company	2025	2026	Difference, %
AB "Energijos skirstymo operatorius"	57,071	56,131	-1.6
UAB "Intergas"	3,009	2,534	-15.8
UAB "Gren Lietuva"	189	196	3.62
AB agrofirm "Josvainiai"	59	77	31.5

Source: NERC

The revenue cap adjusted in 2026 by NERC for natural gas distribution activities of AB "Energijos skirstymo operatorius" decreases by 1.6%, compared to 2025 due to deviations in revenue and uncontrollable costs for 2024.

NERC has also approved specific prices for four distribution operators. For AB "Energijos skirstymo operatorius", the distribution operator with the largest market share, lower natural gas distribution prices have been approved for 2026 for individual consumer groups, taking into account changes in the number of consumers and the volume distributed within the group, prices are decreasing by between -0.3% and -9.5%.

Liquefied Natural Gas Terminal (hereinafter – LNGT)

NERC has set the revenue cap for AB "KN Energijos" LNG regasification activities for 2026 at EUR 54,719 thousand, i.e. 8.1% less than the figure set for 2025 (EUR 59,557 thousand). This change was mainly driven by a deviation of EUR 2.2 million in return on investment and other costs, arising from tax costs that were EUR 2.1 million lower than planned (due to lower prices for emission allowances) and EUR 2.9 million lower costs for long-term LNG contracts, although the company also incurred EUR 2.3 million higher-than-planned costs for dry-dock repairs.

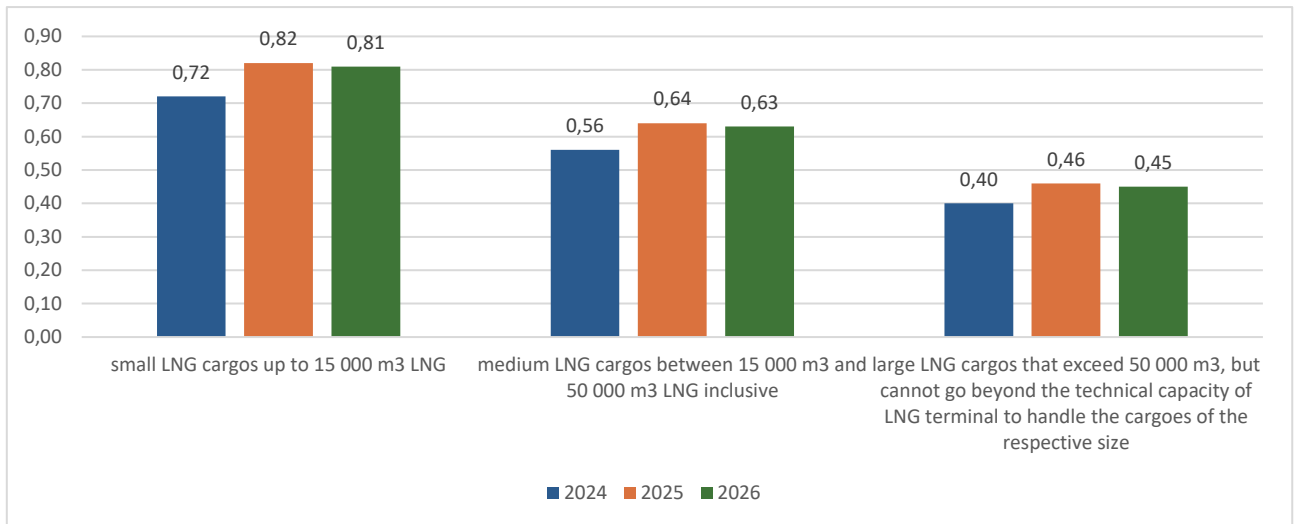
Determination of specific prices for LNG regasification and congestion services

The LNG regasification price consists of fixed and variable parts: the fixed part is calculated per unit of consumption capacity of the identified transmission system users (EUR/(MWh/day/year)), and the variable part is determined per unit of the volume of LNG planned to be regasified (EUR/MWh).

With regard to LNG regasification services, in 2025, NERC approved:

- a variable price component of EUR 1.69/MWh, payable for the volume of natural gas supplied, which has decreased by 8.1% due to actual costs being lower than planned for 2024.
- the fixed part of the price of LNG regasification to be included in the supply security component of the natural gas transmission price in 2026 – EUR 23.11/(MWh/day/year)).

Fig. 21. Prices for LNG congestion service, EUR/MWh



Source: NERC

NERC has also set the price of the LNG congestion service for 2026 at EUR 0.81/MWh. Compared with the price of the LNG congestion service in force in 2025 (EUR 0.82/MWh), the price decreased by 1.2%, or EUR 0.01/MWh. Taking into account the differentiation coefficients for the LNG congestion service price, the congestion price for different groups is as follows:

- small LNG cargos up to 15 000 m³ LNG – EUR 0.81/MWh;
- medium LNG cargos between 15 000 m³ and 50 000 m³ LNG inclusive – EUR 0.63/MWh;
- large LNG cargos that exceed 50 000 m³, but cannot go beyond the technical capacity of LNG terminal to handle the cargoes of the respective size – EUR 0.45/MWh.

Consumer connection fees

Connection fees are calculated in accordance with the provisions of the Methodology for Determining Fees and Rates for Connection to Natural Gas Systems. NERC has approved the tariffs charged by five natural gas distribution system operators for connecting new household consumers to the natural gas networks, which came into force on 1 January 2026. NERC has extended the existing tariffs for connecting new household consumers to the gas network for AB “Energijos skirstymo operatorius”, the distribution system operator with the largest market share, taking into account the company’s request and the amendment to the Law on Natural Gas of the Republic of Lithuania, which stipulates that the new principles for calculating connection fees will apply from 1 May 2026, meaning that the newly approved fees would be in force for a very short period (for just 5 months). This decision ensures the stability of connection fees and avoids additional administrative costs. NERC, in accordance with the regulations in force, has also extended the current connection fees for new household gas systems set by other natural gas distribution system operators, as these operators did not connect any new household consumers during the reporting period, or the number of new consumers was insignificant.

- Article 41(1)(s) and 41(1)(n) of Directive 2009/73/EC

Natural gas storage

Currently, there are no undertakings in Lithuania operating as natural gas storage operators, neither do any operators provide linepack services and other ancillary services. System users use the

Inčiukalnis Underground Natural Gas Storage Facility located in the Republic of Latvia. As of 1 November 2025, the Inčiukalnis Natural Gas Storage Facility held 479.8 GWh of gas reserves for vulnerable household consumers. This amount of gas is sufficient to meet the natural gas needs of household consumers in the cases specified in Article 6(1) of Regulation (EU) 2017/1938 – for Lithuania during a 30-day period of exceptionally high demand over the past 20 years (December 2021 max 495.8 GWh / 31 days x 30 days = 479.8 GWh).

- Balancing
- Article 41(6)(b) of Directive 2009/73/EC

During the reporting year, there were no amendments to this legislation related to the Network Code on Balancing of Transmission Networks.

- Cross-border issues
 - Access to cross-border infrastructure, including allocation and congestion management: Article 41(6)(c), Article 41(9) and (10) of Directive 2009/73/EC

Capacity allocation and congestion management

Capacity allocation and congestion management are carried out in accordance with the provisions of Commission Regulation (EU) 2017/459 of 16 March 2017 establishing a network code on capacity allocation mechanisms in gas transmission systems and repealing Regulation (EU) No 984/2013, and Commission Decision (EU) 2015/715 of 30 April 2015 amending Annex I to Regulation (EC) No 715/2009 of the European Parliament and of the Council on conditions for access to the natural gas transmission networks. Accordingly, most of the provisions of these legal acts that are not directly applicable are implemented in accordance with the following regulations developed by TSO, DSO and the LNGT operator and approved by NERC: (1) Rules for the Use of the Natural Gas Transmission System of AB “Amber Grid”, which establish the procedure and conditions for using the natural gas transmission system owned by the TSO, guidelines for cooperation between the TSO and other gas system operators, and the rights, obligations, and responsibilities of the TSO and system users; and (2) Rules for the Use of the Liquefied Natural Gas Terminal of AB “KN Energijos”, which establish the procedure for using the terminal.

Regional pricing

In 2025, no new decisions were taken with regard to the Baltic-Finnish natural gas market interconnection.

- Article 41(11) of Directive 2009/73/EC

Complaint Handling and Dispute Hearing

In 2025, there were no changes compared to the information provided in the report last year.

- Article 41(1)(c) of Directive 2009/73/EC

Cross-border agreements

On 23 December 2015, an agreement was concluded between OAO “Gazprom” and the Lithuanian gas TSO on the supply of natural gas to the Kaliningrad region of Russia via Lithuanian territory. The agreement stipulated that the terms and conditions for the provision of transit services would remain in force until the end of 2025. On 23 December 2025, a new agreement on the supply of natural gas to the Kaliningrad region of Russia via Lithuanian territory was concluded between OAO “Gazprom” and AB “Amber Grid”. The agreement stipulates that the terms and conditions for the provision of transit services will remain in force until the end of 2030. Service prices of AB “AmberGrid” are set by NERC; the permitted revenue level for 2026 is set at EUR 29.5 million (for 2025 – EUR 13.5 million).

- Article 41(1)(g) of Directive 2009/73/EC

Coordination of TSO investment

NERC coordinates investment projects related to the construction of new energy facilities, rehabilitation, modernisation, reconstruction of existing energy facilities or development of energy facilities currently operating, etc. The Law on Energy provides for the obligation of NERC to assess the feasibility of investments. If the investments are not coordinated with NERC, they cannot be considered reasonable and are not included in the prices of regulated services. Also, NERC coordinates and assesses the ten-year development plans prepared by TSOs and DSOs.

In 2025, NERC approved one list of jointly coordinated investments and five individual investment projects submitted by the natural gas transmission system operator AB “Amber Grid”. The approved investments in natural gas transmission activities for 2025 totalled approximately EUR 55.17 million.

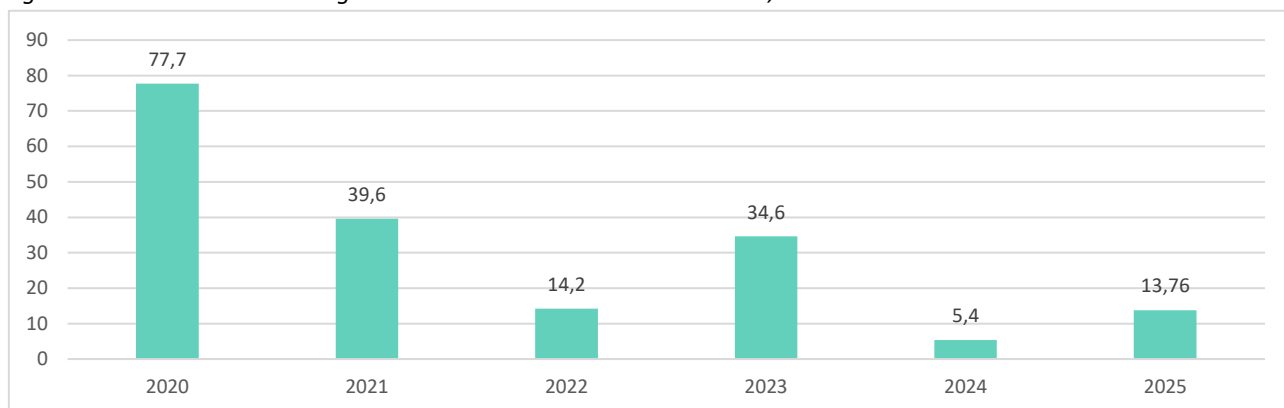
The entry into force of Regulation (EU) 2024/1787 of the European Parliament and of the Council of 13 June 2024 on the reduction of methane emissions in the energy sector and amending Regulation (EU) 2019/942 (Methane Regulation) on 4 August 2024 requires the natural gas transmission system operator AB “Amber Grid” to comply with the requirements set out in the Methane Regulation; therefore, a key strategic objective for the company is to take all possible measures to prevent methane emissions and minimise the amount of methane emitted in the course of its operations. In view of this, NERC has coordinated the investment projects “Procurement of Pressure Drilling Equipment and Spare Parts” and “Procurement of a Mobile gas Compressor”, which aim to reduce greenhouse gas emissions, primarily those resulting from methane released into the environment during gas pipeline repairs.

In the natural gas transmission sector, investments aimed at modernising the gas transmission system were also coordinated, with a view to ensuring the efficient, safe and reliable provision of gas transmission services, accurately and correctly determine the energy value of natural gas and enable consumers to use gas in the most efficient way by introducing advanced technologies. In addition, a certain proportion of the investment was allocated to the renewal and modernisation of the natural gas infrastructure, including the introduction of remote control, the upgrading of telemetry and data transmission equipment, and the strengthening of cyber security, technological and IT infrastructure. Some of the key investment projects include: “Replacement and

Modernisation of Chromatographs” and “Replacement of Shut-Off Devices and Installation of a Supervisory Control and Data Acquisition (SCADA) System”.

In addition, an investment project by the natural gas transmission system operator was approved: “Optimisation of the Capacity of the Jauniūnai Gas Compressor Station”, aimed at ensuring the efficient and optimised operation of the system, reducing emissions of greenhouse gases and other pollutants, and lowering noise levels in the vicinity of the Jauniūnai gas compressor station.

Fig. 22. Investments in natural gas transmission activities in 2020-2025, EUR million



Source: NERC

- Implementation of network codes and guidelines
- Network Code on Capacity Allocation Mechanisms

In 2025, no amendments to Council legislation relating to the Network Code on Capacity Allocation Mechanisms were adopted.

- Network Code on Balancing of Transmission Networks

2025, no amendments to Council legislation relating to the Network Code on Balancing of Transmission Networks were adopted.

- Network Code on System Interoperability and Data Exchange

There were no significant changes in 2025 relating to the improvement of the implementation of Commission Regulation (EU) 2015/703 of 30 April 2015 establishing a network code on interoperability and data exchange rules. Significant changes relating to other topics are set out in the following sections: “Access to cross-border infrastructure, including allocation and congestion management” and “Balancing”.

- Tariff Network Code

On 16 December 2024, NERC published a document for public consultation on the methodology for the pricing of services provided by the Lithuanian natural gas TSO AB “Amber Grid”, in accordance with the requirements on the application, publication of, and consultation on the reference price

methodology as set out in Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas.

The public consultation document describes the methodological provisions for the remainder of the regulatory period (2026-2028) for the transmission services of AB “Amber Grid”, and the calculated transmission service prices, their forecasts, and the attached price calculation models are only indicative.

Taking into account the recommendations provided by ACER for the previous public consultation and in order to simplify the guidelines for calculating and setting prices for the new tariff years (2026 and onwards), the following fundamental methodological changes are proposed:

- the revenue cap set by the TSO is distributed based on two drivers: annual capacity product and gas volume emitted;
- all physical domestic exit points are combined into a single domestic exit point;
- the price of transmission services for consumption capacities at the domestic exit point will no longer be set;
- the costs of transmission services for non-EU needs (transmission from a third country to a third country) will be allocated in the first year of the reference price methodology (2026) according to the annual capacity product weight and the amount of gas released, and from the second year onwards (and in subsequent years until 2030) will be adjusted (inflated) according to the harmonised Lithuanian consumer price index and increased technological costs.

On 16 January 2026, NERC published a document for public consultation on the multipliers, seasonal coefficients and discounts to be applied in the pricing structure for services provided by AB “Amber Grid”, the Lithuanian natural gas transmission system operator, for the 2027 tariff period, as set out in Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas.

Taking into account the results of the public consultation, it has been decided not to change the applicable multipliers, seasonal coefficients and discounts in 2027.

4.2. Promotion of competition and market functioning

4.2.1. Wholesale market

Wholesale market participants and structure

In 2025, 23,147 GWh of natural gas was sold and/or consumed on the wholesale natural gas market, which is 65.71% more than in 2024, when 13,968 GWh of natural gas was sold and/or consumed.

Table 7. *Structure of the wholesale natural gas supply market 2021-2025, GWh*

Structure of the wholesale natural gas supply market	2021	2022	2023	2024	2025
Under bilateral contracts in Lithuania	19,526	32,227	18,246	10,234	16,788
On the exchange*	4,320	3,009	4,481	3,735	6,359
Total	23,846	35,236	22,728	13,968	23,147

* Natural gas exchange transactions are assessed if the buyer's trading platform is in Lithuania.

Source: NERC

- Monitoring price levels, the level of transparency, the level and effectiveness of market opening and competition
- Article 41(1)(i) of Directive 2009/73/EC

In accordance with the provisions of the Law on Natural Gas, NERC continuously monitors and controls the compliance of undertakings operating in the natural gas sector with the conditions and requirements for transparency, non-discrimination and competition in the natural gas sector, licensed or permit-regulated activities, and the protection and defence of consumers' rights and legitimate interests, including reliability of the information provided to consumers, as laid down in the Law on Natural Gas and in other legal acts. Undertakings operating on the wholesale natural gas market shall make the information provided for in the separate legal acts publicly available. Following the approved description of information to be made publicly available, NERC publishes, on its website, a list of the information to be made publicly available by natural gas undertakings¹⁴. In accordance with the above-mentioned description, NERC also annually checks the manner in which the information contained in this list is made publicly available by the undertakings.

In order to carry out market monitoring, NERC collects information from regulated undertakings in accordance with the Rules on the Provision of Information by Energy, Drinking Water Supply and Wastewater Management, Surface Water Management Undertakings approved by NERC. In order to increase the awareness of market participants and to ensure that market participants have reliable information at their disposal, NERC regularly prepares semi-annual natural gas market monitoring reports and annual development reviews on the basis of the information provided by the undertakings and publishes them on the NERC website¹⁵.

NERC continued to carry out tasks related to the joint monitoring of the natural gas and electricity markets under REMIT. For more information on REMIT monitoring, see the Electricity sector review in this report.

In order to create preconditions for the development of effective competition in the natural gas markets and to prevent persons from abusing their significant influence in the natural gas markets, NERC carries out market research in accordance with the Rules for Market Research. Accordingly, NERC regularly publishes and updates on its website market research reports, except for information which is considered confidential, and final decisions on the results of the market research or parts thereof, excluding confidential information. It should be noted that no market research was carried out in 2025.

- Article 41(1)(j) of Directive 2009/73/EC

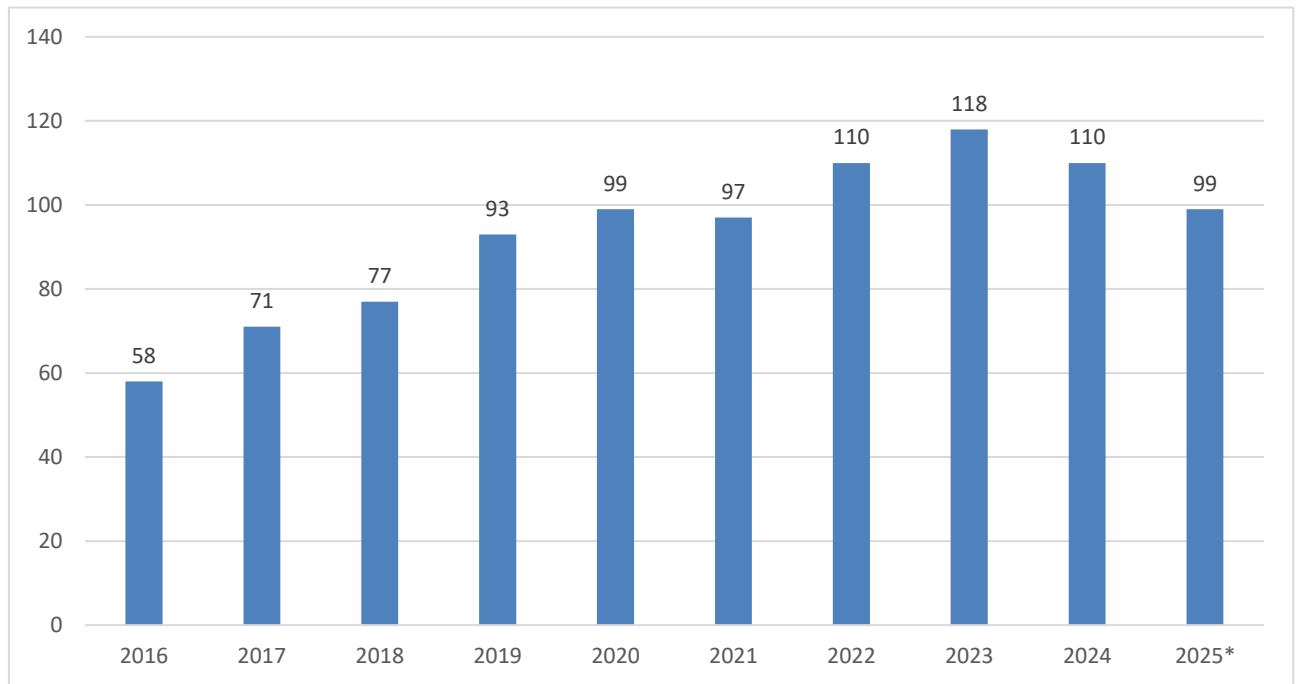
Trading on natural gas exchanges

On 8 September 2025, 99 market participants were registered on the UAB "GET Baltic" natural gas exchange, of whom 67 were active. It should be noted that, as of 9 September 2025, exchange-based natural gas trading on the Baltic and Finnish gas markets is organised on the European Energy Exchange AG (hereinafter referred to as EEX) platform.

¹⁴ <https://www.regula.lt/dujos/Puslapiai/gamtiniu-duju-sektoriaus-ukio-subjektu-viesai-skelbiamos-informacijos-sarasas.aspx>

¹⁵ <https://www.vert.lt/dujos/Puslapiai/duju-rinkos-apzvalga/rinkos-stebesena.aspx>

Fig. 23. Number of natural gas exchange participants in 2018-2025



*As of 8 September 2025.

Source: NERC

In January – August 2025, 7.2 TWh of natural gas was traded on the natural gas exchange of UAB “GET Baltic”. For comparison, in 2024, the volume of natural gas traded on the natural gas exchange of UAB “GET Baltic” was 8.4 TWh.

The average price of natural gas on the UAB “GET Baltic” natural gas exchange in 2025 was EUR 44.52/MWh, which was 12.6% higher than in 2024 (EUR 39.53/MWh). In January – August 2025, trading turnover on the UAB “GET Baltic” exchange amounted to EUR 321.1 million. For comparison, in 2024, the turnover was EUR 331 million.

- Article 41(1)(k) and 41(1)(l) of Directive 2009/73/EC

In the area of security of supply of natural gas, NERC monitors the main terms of natural gas supply contracts regarding ensuring the reliability of the supply of natural gas between natural gas supply undertakings and consumers. To this end, supply undertakings annually provide information to NERC on the main terms of the natural gas supply contracts concluded and NERC has the right to request that natural gas undertakings revise their contracts in order to comply with the requirements laid down in the Law on Natural Gas and other legislation. If the natural gas undertaking fails to comply with this request, NERC has the right, in defence of the public interest, to apply to the court for the modification of the contract. No restrictive contractual practices were identified in 2025.

Table 8. Natural gas wholesale market indicators in 2020-2025

	2020	2021	2022	2023	2024	2025
Number of active wholesale market participants, units	12	14	16	16	15	16
Production of Lithuanian biogas, GWh	-	-	-	47.0	126.7	257.7
Natural gas demand, GWh*	23,397	23,846	35,236	22,728	21,983**	28,327
Gas demand of energy producers	NA	NA	NA	NA	NA	NA
Import, GWh	33,538	26,312	41,006	38,175	29,980	31,006
Transported through transmission networks to other EU countries, GWh	7,960	1,902	24,814	22,365	12,236	17,687
Main source and share of imports, %	LNGT (65.30)	LNGT (67.26)	LNGT (84.88)	LNGT (89.67)	LNGT (90.46)	LNGT (98.5)
Number of natural gas supply sources	2	2	2	2	3	3
Market share of the three largest wholesalers, %.	30.37	32.29	44.84	75.59	63.38	60.75
Volume of natural gas traded on the spot natural gas market, GWh	6,641	7,943	6,780	8,367	8,284	7,167***
Volume of natural gas traded on the natural gas futures market, GWh	565	14	167	733	87	47***
Total volume traded on the natural gas exchange, GWh	7,206	7,957	6,947	9,100	8,372	7,214
Average spot price of natural gas, EUR/MWh	12.05	40.24	117.38	48.97	39.53	44.70

* Under bilateral contracts and natural gas exchange transactions where the buyer's trading platform is in Lithuania.

** The figures may differ from those previously published by NERC, as the information has been updated on the basis of revised data provided by natural gas companies.

***From 9 September 2025, exchange-based natural gas trading on the Baltic and Finnish gas markets is organised on the EEX platform.

Source: NERC

- Article 41(1)(u) of Directive 2009/73/EC

In 2024, there were no major changes in relation to the improvement of the harmonisation of data exchange processes for key market processes at regional level. See in addition the section "Cross-border issues".

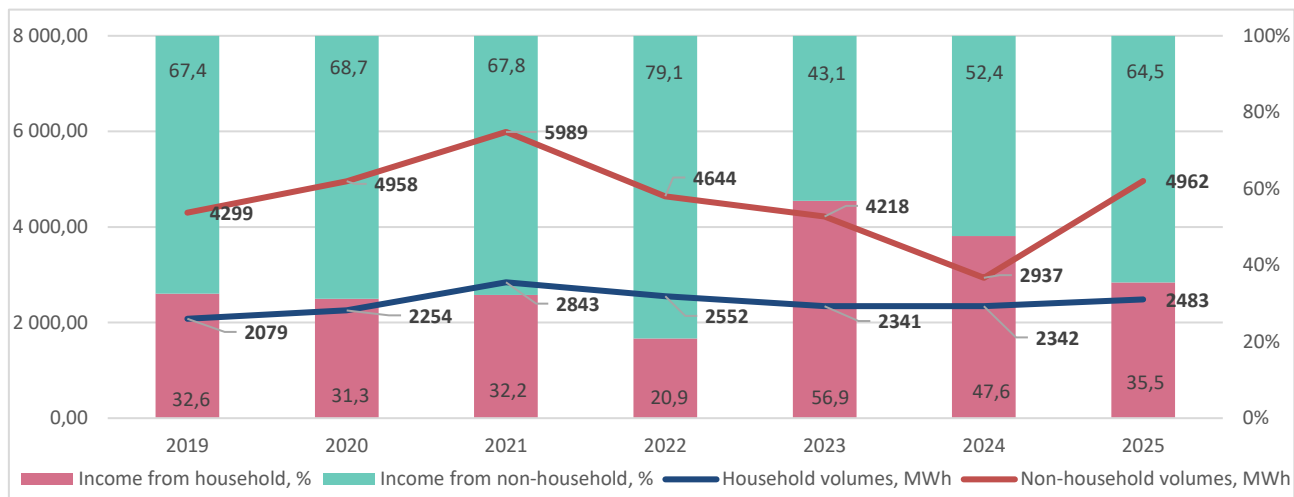
4.2.2. Retail market

- Monitoring price levels, the level of transparency, the level and effectiveness of market opening and competition

Statistics on the retail market of natural gas are provided by assessing natural gas supply undertakings, market participants (natural or legal persons) that conclude natural gas supply contracts with final customers¹⁶.

¹⁶ With the exception of natural gas supply contracts for final customers with natural gas consumption capacity exceeding the threshold set out in the second sub-paragraph of Article 2(1)(5) of REMIT (600 GWh).

Fig. 24. Market structure by volume of natural gas purchased in 2019-2025, GWh and %.



Source: NERC

In 2025, there were 618,700 natural gas consumers in Lithuania, of which 610,500 were household consumers and 8,200 non-household consumers. In 2024, there were 610,600 household consumers and 7,800 non-household consumers.

Household consumers, who account for 98.7% of the total retail market by number of consumers, consumed 33.6% of the natural gas supplied on the retail natural gas supply market. Non-household consumers purchased as much as 66.4% of the natural gas supplied on the retail natural gas supply market, although their number, as consumers, was very low compared to the number of household consumers – only 1.3%.

Household consumer segment

In 2025, 4 companies supplied gas to household consumers in the retail market. In 2025, household consumers consumed 2,483 GWh of gas (6.02% more than in 2024). Household consumers paid EUR 113.9 million for natural gas (10.95% more than in 2024). The increase in revenue is due to the increase in the consumed natural gas. UAB “Ignitis” remains the main supplier of natural gas to household consumers with a market share of 99.82% of total sales to household consumers in 2025.

Tariffs for household consumers

Natural gas tariffs for household consumers are normally recalculated twice a year. The methodology provides that in the case of a difference of more than 20% between the natural gas purchase price estimated in the approved tariffs and the forecast half-yearly natural gas purchase price, companies may apply to NERC for a recalculation.

The natural gas tariff for household consumers consists of a fixed part, paid monthly, regardless of the amount of natural gas consumed and a variable part, paid for the volume of natural gas consumed. The natural gas tariff for household consumers includes:

- the forecast price of natural gas;
- the price of the supply service;
- the price of security of supply;
- the transmission price (after assessing the security component);
- the distribution price;

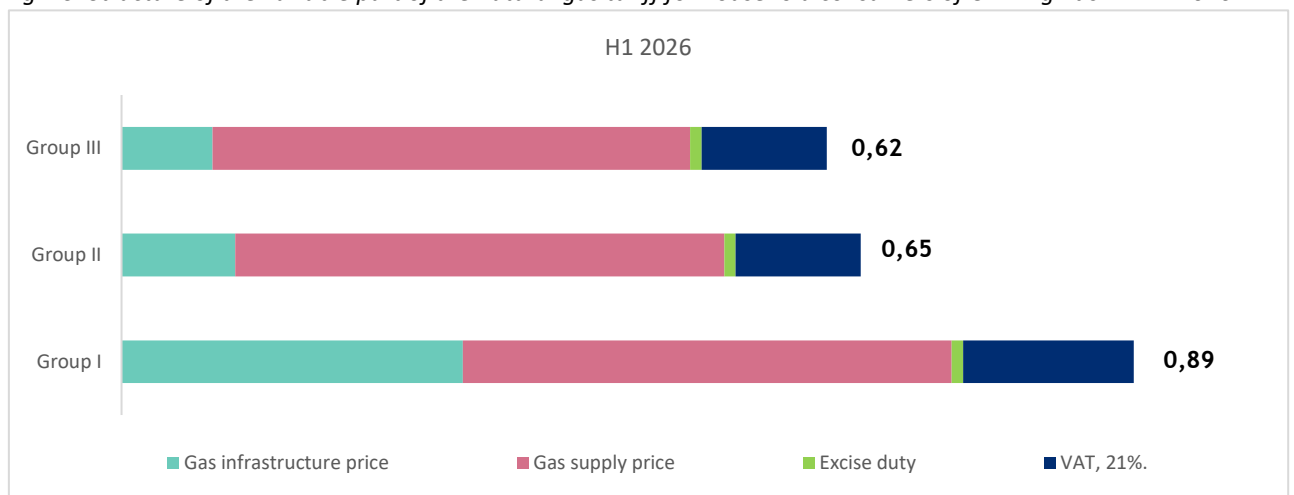
- the difference between the forecast and actual natural gas (product) prices for the previous tariff period, reduced by the amounts for the compensation of the part of the price of natural gas consumed by household consumers, as referred to in Article 19² of the Law on Energy, if such amounts are determined.

Table 9. Natural gas tariffs for household consumers (EUR incl. VAT/m³)

Company	Group	H1 2025		H2 2025		H1 2026	
		Fixed part of the tariff	Variable part of the tariff	Fixed part of the tariff	Variable part of the tariff	Fixed part of the tariff	Variable part of the tariff
UAB "Ignitis"	I	0.99	0.99	0.99	0.99	1.17	0.89
	II	3.99	0.69	3.99	0.69	3.99	0.65
	III	3.99	0.65	3.99	0.65	3.99	0.62
UAB "Gren Lietuva"	II	3.94	0.87	3.94	0.95	3.94	0.83
AB agrofirm "Josvainiai"	I	0.63	0.48	0.63	0.73	0.63	0.63
	II	3.99	0.40	3.99	0.65	3.99	0.53
UAB "Intergas"	I	1.45	0.62	1.45	0.74	1.45	0.58
	II	1.45	0.57	1.45	0.69	1.45	0.53

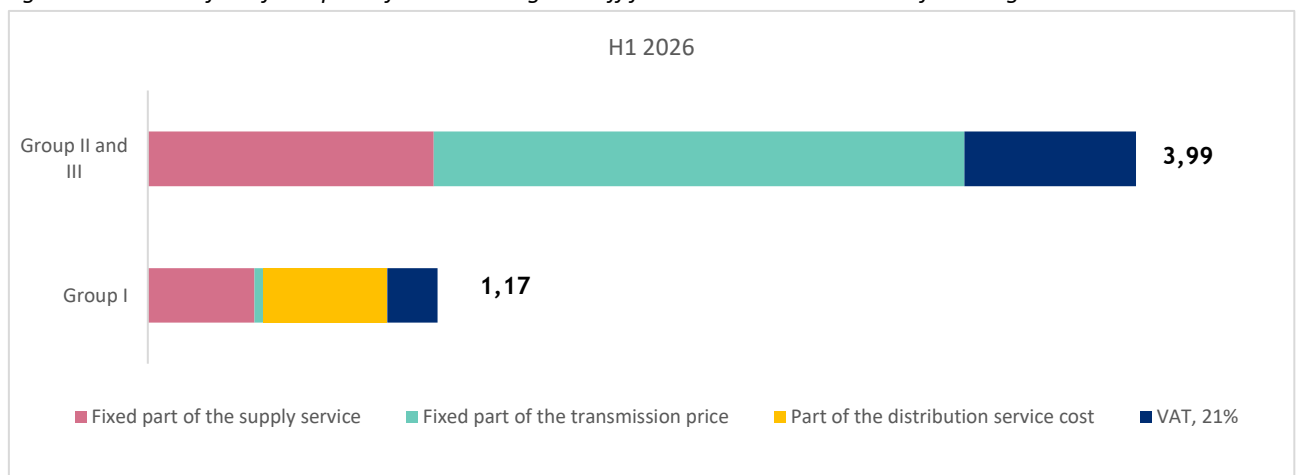
Source: NERC

Fig. 25. Structure of the variable part of the natural gas tariff for household consumers of UAB "Ignitis" in H1 2026



Source: NERC

Fig. 26. Structure of the fixed part of the natural gas tariff for household consumers of UAB "Ignitis" in 2026



Source: NERC

Competition and market: retail market

Table 10. Retail market indicators (household consumers)

Retail market indicators (household)	2020	2021	2022	2023	2024	2025
Natural gas consumption, GWh	2,254	2,843	2,552	2,341	2,342	2,483
Number of consumers	602,978	609,740	613,337	611,681	610,604	610,542
Number of registered suppliers	4	4	4	4	4	4
Number of active suppliers	4	4	4	4	4	4
Market share of the three largest suppliers by number of measuring instruments	99.84	99.98	99.98	99.98	99.98	99.98
Number of suppliers with more than 5% market share	1	1	1	1	1	1
Number of suppliers with more than 5% of the market consumers	1	1	1	1	1	1
Share of consumers who switched supplier (in terms of volume of gas distributed), %	0	0	0	0	0	0
Share of consumers who switched supplier (by number of measuring instruments), %	0	0	0	0	0	0
Statutory time limits for switching of supplier	3 weeks	3 weeks	3 weeks	3 weeks	3 weeks	3 weeks
Average switching time	NA	NA	NA	NA	NA	NA
Number of consumers paying in accordance with the regulated tariff	602,978	609,740	613,337	611,681	610,604	610,542
HHI by sales	9,968	9,962	9,965	9,967	9,962	9,964
HHI by number of metering instruments	9,991	9,988	9,988	9,988	9,988	9,988
Number of interruptions due to unpaid bills	10	12	20	219	33	115
Average price for a consumer with the 9,000 kWh annual consumption, EUR/year	289	393	708	1 314	568	577

Source: NERC

Table 11. Retail market indicators (non-household consumers)

Retail market indicators (non-household)	2020	2021	2022	2023	2024	2025
Natural gas consumption, GWh	4,958	5,989	4,991	4,218	2,937	4,962
Number of consumers	7,458	8,150	7,819	8,082	7,872	8,191
Number of registered suppliers, units	30	36	51	60	70	63
Number of active suppliers, units	20	15	35	37	36	39
Market share of the three largest suppliers by number of measuring instruments	93.20	85.04	82.68	74.23	72.94	72.75
Number of suppliers with more than 5% market share	2	5	2	4	5	6
Number of suppliers with more than 5% of the market consumers, units	1	2	2	2	2	2
Share of consumers who switched supplier (in terms of volume of gas distributed), %	16.80	24.67	28.00	20.36	20.29	15.04
Share of consumers who switched supplier (by number of measuring instruments), %	3.80	7.47	9.69	4.49	5.40	7.29
Statutory time limits for switching of supplier	3 weeks	3 weeks	3 weeks	3 weeks	3 weeks	3 weeks
Average switching time	-	-	-	-	-	-
Number of consumers paying in accordance with the regulated tariff, pcs.	0	0	0	0	0	0
HHI by sales	3,704	3,338	3,385	2,251	2,197	2,403
HHI by number of metering instruments	8,150	7,885	7,374	7,031	7,333	6,964

Source: NERC

Monitoring of the retail market in natural gas, Articles 41(1)(i), (j), (k), (l) and (u) of Directive 2009/73/EC

In 2025, NERC completed an unscheduled inspection of AB “Amber Grid”, during which it was established that the principles applied by the company for calculating the weighted average gas price when determining the purchase price of natural gas had led to deviations in gas procurement costs during the current period. NERC required the company to amend the current description of the natural gas regulatory accounting system, with a view to bringing the natural gas purchase price closer to the natural gas exchange price and minimising deviations in actual net revenue.

- Consumer protection and dispute resolution
- Compliance with Annex I (Article 41(1)(o) of Directive 2009/73/EC)

Pursuant to Article 4(3) of the Law on Energy, NERC, by performing its regulatory, supervisory and control functions in the field of energy activities, ensures the implementation of the state policy in the field of consumer rights protection in the energy sector. Consumer protection measures are provided for in Article 57 of the Law on Natural Gas.

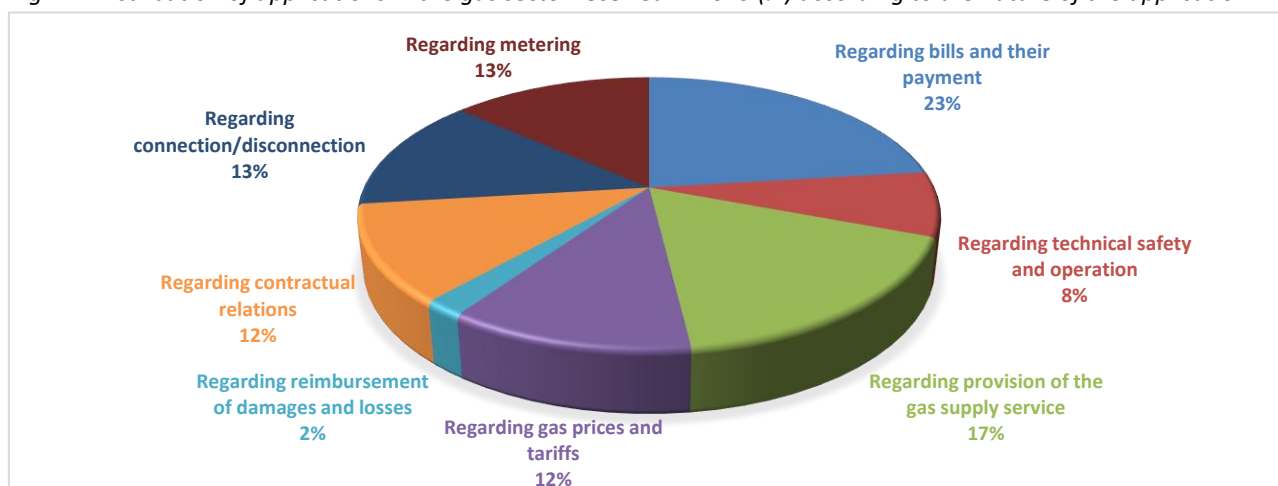
- Ensuring access to consumer data (Article 41(1)(q) and Annex I(h) of Directive 2009/73/EC)

According to the legal regulation, natural gas consumers must be provided with adequate and sufficient conditions for access to information and data on their actual energy consumption, payments for the energy supplied to them and/or for the services related to energy supply. Adequate and sufficient means of access are considered the provision of a bill to the consumer or electronic access to the consumer’s payment data or other reasonable means. Gas consumers are served via the self-service website at www.e.ignitis.lt/.

- Articles 41(11) and (4)(e) of Directive 2009/73/EC

In 2025, NERC received 52 applications from natural persons. The breakdown of the applications received by type is shown in the figure below.

Fig. 27. Distribution of applications in the gas sector received in 2025 (%) according to the nature of the application



Source: NERC

Table 12. Consumer protection indicators

Consumer indicators	2021	2022	2023	2024	2025
Number of household consumers	609,749	613,337	611,681	610,604	610,542
Number of consumers to whom the guaranteed supply is provided	0	0	0	0	0
Number of calendar days between the notice of payment and the disconnection, as established in the legal acts	15	15	15	15	15
Number of consumers disconnected for non-payment of bills	12	20	219	33	115
Number of consumers in energy poverty	N/A	N/A	N/A	N/A	N/A
Number of consumers paying according to the social tariff	N/A	N/A	N/A	N/A	N/A

Source: NERC

4.3. Security of supply

- Article 41(1)(t)

NERC is not responsible for establishing or implementing the necessary temporary protective measures required in the event of a sudden energy market crisis or a threat to the physical safety or security of persons, or to the security of installations or equipment or the integrity of the system.

- Article 41(1)(h)

Quality of service

The Law on Natural Gas provides the obligation for NERC to establish indicators for the quality of services of natural gas undertakings, including reliability, and the procedure for their assessment. In accordance with the Description of the Indicators of Reliability and Quality of Services Provided by Natural Gas Undertakings, the Procedure for Their Assessment as approved by NERC, the minimum quality levels for each gas undertaking are set individually for a specific price regulation period.

In the reference period, the main indicators of the quality of uninterrupted natural gas supply are SAIDI and SAIFI. The SAIDI and SAIFI indicators are differentiated according to the reasons for the interruption.

In June 2025, NERC stated that the actual performance indicators of AB “Amber Grid”, AB “Energijos skirstymo operatorius”, UAB “Intergas”, UAB “Gren Lietuva”, AB agrofirm “Josvainiai” and UAB “SG dujos” meet the minimum quality levels set for the specific gas undertaking.

- Monitoring the balance between supply and demand

The TSO, in consultation with relevant stakeholders and taking into account existing and forecasted supply and demand, shall prepare and submit, every two years, a 10-year network development plan to NERC in accordance with the procedure established by NERC. The network development plan shall include efficient measures to ensure the adequacy of system capacity and security of supply.

In June 2024, the Lithuanian TSO prepared and publicly consulted on the Network Development Plan 2024-2033, which was made publicly available on the TSO's website. The plan until 2033 provides for investments in the expansion of the gas transmission system, which aim to achieve the strategic goals of the European Union and Lithuania in the gas sector: to ensure the security and reliability of gas supply, promote competitiveness, and develop a common regional gas market for the Baltic countries. It is planned that around EUR 201 million will have to be invested in the gas transmission network over the next decade. Of this amount, the investments of the next five years will amount to around EUR 138 million.

The network development plan published in 2024 incorporated a hydrogen network plan for the first time. The potential network solutions set out in the plan were coordinated with the electricity transmission system operator "Litgrid" and its network development plans. The ten-year plan reflects up-to-date information gathered during consultations with potential developers of green hydrogen projects in Lithuania and with international partners planning to implement the Nordic-Baltic Hydrogen Corridor project.

Key aspects of the TSO's 2024-2033 network development plan:

- EUR 201 million investment in the modernisation of existing gas infrastructure assets;
- ensuring the security of the transmission network, enhancing its resilience to crises;
- the development of alternative energy sources, the integration of renewable energy;
- the development of a hydrogen transport network, synergies between the gas and electricity sectors;
- the reduction of greenhouse gas (GHG) emissions.

In addition, the TSOs and DSOs submit NERC with their annual reports on the company's operations and security, setting out the volumes of gas planned to be supplied to system users, distributed and transported in transit through the territory of the Republic of Lithuania during the current year and the following two years. TSOs provide summary information on the utilisation of relevant points in the transmission system: the percentage of maximum capacity utilised each month during the reporting period, compared with the technical capacity of the relevant points.

In January 2026, the Lithuanian electricity TSO "Litgrid" and the gas TSO "Amber Grid" organised a public consultation with the market on the first-ever scenario for the joint development of electricity, gas and hydrogen networks in Lithuania. Preliminary lists of network development projects were also submitted as part of the consultation. The joint scenario will form the basis for the preparation of national ten-year (2026—2035) development plans for the electricity, gas and hydrogen networks. Although "Litgrid" and "Amber Grid" will draw up separate development plans, these will be based on a mutually agreed joint scenario.

This planning model is set out in EU legislation, which promotes a shift from sector-specific planning to integrated planning of the entire energy system, with a view to achieving greater synergy between different energy sources, more efficient use of resources and a coherent response to the challenges of the energy transition. The scenario defines common and harmonised assumptions for the development of electricity, gas and hydrogen networks, thereby ensuring coordinated development and facilitating systematic infrastructure planning.

The joint scenario provides a better reflection of the synergies and challenges of the energy transition, market trends, the integration of renewable energy sources, energy demand management, the development of the hydrogen market, and the cross-sectoral interaction between

electricity, gas and hydrogen systems. Network development plans based on this scenario will contribute to integrated energy system planning, ensure the safe, reliable and sustainable operation of the energy system, and lay the groundwork for achieving long-term national and EU energy and green transition objectives, as well as the compatibility of national and European network development plans.

On 24 March 2026, the electricity and gas TSOs presented the results of the public consultation. During the public consultation, comments were submitted by more than 10 different stakeholders: companies, associations, institutions and natural persons. The comments covered a wide range of topics: forecasts for electricity and hydrogen consumption, the pace of electrification in the energy sector, scenarios for the development of renewable energy sources, assessments of the energy transition, proposals for additional sources of information, and adjustments to the forecasts.

The annual TSO development plans, drawn up on the basis of the joint scenario, must be submitted to the National Energy Regulatory Council by 1 July 2026.

- Measures to cover peak demand or shortage of suppliers

Under normal conditions of operation of the transmission system and supply to Lithuania, the peak gas consumption is fully met. In the event of disruptions in gas transmission, the following measures would be used:

- For system users who have signed uninterrupted supply contracts with the supply company, gas is supplied from the Inčiukalnis Underground Storage Facility;
 - The priorities for the supply and transport of natural gas and the sequence of curtailment and gradual interruption of natural gas supply, are applied as laid down in the natural gas transmission contracts with system users directly connected to the transmission system;
 - Supply undertakings would be obliged to comply with the instructions of the TSOs and the DSOs, as stipulated in the National Natural Gas Emergency Management Plan.
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