

VICE-MINISTER OF ENERGY OF LITHUANIA: WE ARE STRONGLY OPPOSING THE NUCLEAR POWER PLANT IN BELARUS

We have spoken with the Vice-Minister of Energy of the Republic of Lithuania Egidijus Purlys about synchronization with ENTSO-E, Ostrovets Nuclear Power Plant and natural gas market in the region.

What was the main topic of your meeting with the Polish Vice-Minister of Energy?

First of all, we covered the ongoing synchronization project. We achieved this thanks to the Polish support. We had the political agreement reached in the middle of the last year by all three Baltic States as well as Polish and the European Commission leaders. Now, all the technical work has begun and we can clearly see that today we are talking about technical measures needed before the synchronization.

Lithuania presented information on the application for CEF funding for the first part of the synchronization project. We agreed to work further on the second part of the synchronization which is Harmony Link - undersea cable from Lithuania to Poland. Everyone agreed it will be our next major step.

Another topic, which we actually agreed on, is a GIPL project. Both transmission system operators of gas are working hand in hand, just to have the project ready till the end of 2021. It will bring huge benefits for both countries because gas could go in any direction and could be used for the ultimate benefit of the consumers.

What about LitPolLink 2? Is it a dead project?

At the moment we see that we can go with the single LitPolLink project and additional cable (Harmony Link) that might even help to include more renewable powers like offshore wind power stations in the future. This is the best option and everyone is satisfied with it.

Lithuania strongly opposes Ostrovets NPP in Belarus. What is the reason for that?

Lithuania has been strongly opposing Ostrovets NPP from the very beginning due to its closeness to Vilnius. It is being constructed in Russian technology by Russia and Belarus. During the construction phase, we have heard a lot of negative information regarding its quality. What is more, this NPP will use water of the Wilia (Neris) river, which flows through our capital. Belarus does not respect safety measures - it puts us into the opposing position. The Lithuanian Seimas recognized the Ostrovets NPP project as a threat to Lithuania's national security, environment, and public health, due to its geographic location. In our opinion, the choice of the construction site is without justification and this is one of the main problems of the project.

But probably it will be built. Chances of stopping it are very small. What will you do then? Will you dismantle interconnectors with Belarus?

Passing the law on Ostrovets NPP, we put up the action plan for implementing that law. Some of the actions are foreseen just to restrict the possibilities of physical flows. The main measure is synchronization with the EU, which means that all the ties with the post-soviet system should be abandoned, decommissioned and only new interconnectors with the EU should be left. Then the electricity itself shouldn't be a problem anymore, because of the absence of physical possibilities to import electricity.

But before that, the operation of Ostrovets NPP is not stable and depends on the possibility to export electricity to the EU, which is unacceptable because it also causes a threat to generators working accordingly to the EU requirements, which are much more strict. That would be dangerous for renewables targets as well.

70% of Lithuanian electricity depends on import, yet you aspire to become completely independent in 2050. You want to achieve it basing mainly on renewables. On the other hand, in Poland, you can often hear that renewables are unstable. Aren't you afraid of such instability?

Renewables are the future of the energy sector and we have to work on increasing their share in our energy mix, mainly wind and solar power. Apart from that, we have quite stable pumped-storage hydropower. We are also looking at all other measures which could help us to cope with the instability of the system caused by renewables. We see that there is a mixture of measures on how to tackle it. That is why we also need conventional power plants like gas-fired PP to keep the system running stable. We could think about the new technologies coming into the scene like electromobility, batteries.

Energy independence is one of the biggest goals for Lithuania not only in terms of electricity, but also in terms of gas import. Lithuania and Poland have the same goals. You want to develop the same capabilities as Poland - small scale LNG, bunkering etc. Aren't you afraid that it can cause tensions between our countries?

When we look at the region, we see it's broader than just Lithuania and Poland. We have Latvia, Estonia, Finland in the north of Lithuania and in the south-east of Poland we have Ukraine and Slovakia - these countries rely on gas flows from Poland and Lithuania. There is a huge area not only for gas transportation, but also for services like small-scale LNG or bunkering, LNG-run trucks, and ferries. We see the possibility in of-grid users, who have no connection to the transmission system.

We also see that Ukraine needs a huge amount of gas. If it stays on the position on which it doesn't want to rely on Russian gas, it will make a huge possibility for cooperation and experience-sharing between Poland and Lithuania.

There is another big player in this market, which is Russia, of course. Recently Russia has announced the commissioning of the LNG import terminal in Kaliningrad. According to Russian officials, the reason was unreliability of transit through Lithuania.

Right now Russia is doing the same what we did in Klaipeda and Poland in Świnoujście - building LNG terminals because of geopolitical threats. Despite that fact, there is no threat of any disturbance of the transit through Lithuania.

No disturbance ever happened?

There was no such situation during the last 15 years for sure, or even longer.

Yet, Russia decided to have an alternative supply using LNG facility and not to rely on the EU country. So how could we rely on Russia, if the opposite way it doesn't work?

On the other hand, aren't you afraid of Russian provocations aimed at synchronization with the European energy system or at other Lithuanian projects that may cause Russia will lose its market and influence?

The Baltic States want to be a part of the European Union from the energy perspective as well. We are doing everything to implement plans aimed at increasing our resilience.

Have you experienced Russian provocations?

Our gas system is in fact quite diverse already. We can supply ourselves in 100% using Klaipeda LNG terminal. We are resilient to any threats in the gas sector.

And in the electric energy sector? NordBalt link?

In the electricity sector, the capacity of interconnectors with Sweden, Poland and Latvia, Estonia and Finland are also sufficient for our demand.

As for Russian activities connected to NordBalt link - yes, there were military exercises near the construction site. But after that, we didn't notice any attempts to disturb its work. The disturbances we had experienced were technically based and after modernization of NordBalt we had no more of them.