Press release

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**Litgrid 2024 results: preparation for successful synchronisation, better financial indicators**

**In 2024, the Lithuanian electricity transmission system operator Litgrid successfully completed preparations for the synchronisation of the Baltic States with continental Europe, which took place smoothly in February of this year. Last year, the reliability of electricity supply was ensured, and the adjusted financial results were better than in 2023.**

“During the year, we took many steps towards Lithuania’s energy independence. We successfully completed the necessary preparatory work, which allowed us to complete the synchronisation of the Baltic States with continental Europe on time and according to plan. At the beginning of the year, we completed the automatic generation control system project and the first stage of the reconstruction of the Neris transformer substation, in July, together with partners in Latvia and Estonia, we sent a notification on withdrawal from the Russian-controlled electricity system, in the fall we turned on the first synchronous condenser in Telšiai, and joined the European balancing platform MARI. We also strengthened energy independence by enabling the rapid development of renewable resources. It is symbolic that March 11 last year became the first day since the closure of the Ignalina NPP when the Lithuanian electricity system produced more energy than it consumed,” says Rokas Masiulis, CEO of Litgrid.

On February 8 this year, the Baltic countries disconnected from the Russian-controlled IPS/UPS electricity system, and on February 9 they successfully connected their electricity systems to the Continental European Synchronous Area. Synchronisation allows the Baltic countries to manage their electricity systems in close cooperation with other Continental European countries, ensuring stable and reliable frequency regulation, thus strengthening energy independence and increasing energy security throughout the region. The Baltic countries have joined the Continental European grid, which serves more than 400 million consumers in 26 countries.

According to Rokas Masiulis, significant steps were also taken last year to implement other strategic projects.

“In the last quarter of the year, we launched the project to connect the North-Western and Eastern electricity transmission networks, and together with the Polish operator PSE, we made investment decisions regarding the construction of the Harmony Link onshore connection,” says the CEO of Litgrid.

**Reliability of supply**

The amount of electricity transmitted through Lithuanian transmission grid decreased last year. In 2024 electricity transmitted to meet the country's needs decreased by 0.2% from 9.525 TWh in 2023 to 9.510 TWh in 2024. Although electricity consumption in Lithuania grew by 5 percent last year to 11.504 TWh, the amount of energy transmitted by Litgrid was lower due to the growing number of prosumers connected to the distribution grid.

By supervising and managing the electricity transmission system, Litgrid continued to implement the planned electricity supply reliability indicator targets. In 2024, the average interruption time (AIT) indicator was 0.855 minutes, and the energy not supplied (ENS) indicator was 24.275 MWh. National energy regulatory council (NERC) has set the AIT for the whole year at 0.934 minutes and the ENS at 27.251 MWh.

The overall availability of the interconnectors with Sweden (NordBalt) and Poland (LitPol Link) in 2024 was 97.61% and 98.02%, respectively. The greatest impact on the availability of interconnectors was due to planned annual maintenance works.

**Financial results**

According to unaudited data, Litgrid revenue in 2024 increased year-on-year by 2.5% and amounted to EUR 378.3 million. Transmission revenue decreased by 37.5% to EUR 129.1 million (Transmission revenue for 2023 include EUR 142.3 million in congestion management revenue for the 2023 transmission tariff reduction). The main reason for the decrease in transmission revenue is the higher compensated costs of electricity consumed in technological facilities established in 2023 due to the high electricity purchase price forecasted at that time.

Revenue from ancillary services increased by a factor of 5 to EUR 139.2 million. The main reason for the change was the 5.5 times increase in the price of ancillary services while the quantity of services provided decreased by 0.1%.

Imbalance and balancing electricity revenue decreased by 5% to EUR 102.8 million due to a 44% lower average selling price, while volume increased by 69%. Until October 2024, this change of this revenue did not affect short-term profitability of Litgrid, as under the regulated imbalance pricing, revenue compensated for costs. Since October 2024, when Litgrid joined the European balancing energy platform MARI, imbalance pricing has changed, and the difference between revenue and costs during the reporting period may be significant. In 2024, imbalance and balancing revenue was EUR 4.7 million lower than costs, but this difference will not affect long-term profitability, as it will be assessed during future adjustments.

The company's earnings before interest, taxes, depreciation and amortisation (EBITDA) in 2024 were EUR 60.6 million, and in 2023 EBITDA were EUR 78.3 million. After adjustments for temporary regulatory deviations from the levels approved by NERC, EBITDA amounted to EUR 47.7 million. This compares to an adjusted EBITDA of EUR 37.1 million in 2023. Adjusted EBITDA was mainly driven by the additional component for the financing of investments.

Net profit in 2024 was EUR 49 million. In comparison, net profit in 2023 was EUR 48.4 million. Adjusted net profit in 2024 amounted to EUR 34.4 million, while in 2023 adjusted net profit was EUR 25.5 million (retrospectively assessing the corporate tax benefit due to investments). The increase in adjusted net profit was mainly driven by higher adjusted EBITDA.

Litgrid's investments in 2024 amounted to EUR 213.7 million, of which 64% was allocated to the implementation of strategic and nationally important electricity projects and 36% to the reconstruction and development of the transmission network and operational support.

Congestion management revenue in 2024 amounted to EUR 134.9 million, an increase of 24.3% compared to the same period last year. The congestion management revenue is not revenue neutral and does not directly contribute to Litgrid's operating result, and its use is governed by Regulation 2019/943 of the European Parliament and of the Council and the methodology approved by the Agency for the Cooperation of Energy Regulators of the European Union (ACER). Congestion management revenues are mainly used to partially finance the company's investments to increase the capacity of interconnectors.