



**PRESS RELEASE**  
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### **Amber Grid proposes to apply lower prices for gas transmission services for 2022**

In accordance with the revenue cap set by the National Energy Regulatory Council (NERC), the Board of Amber Grid has approved natural gas transmission prices for 2022 and will submit them to the NERC for evaluation.

For 2022, Amber Grid proposes to set for Lithuanian consumers a significantly reduced average price for gas transmission services. Compared to this year's average price, next year's price will decrease by 29% to EUR 1 per megawatt-hour of gas (EUR 1/MWh).

'This price level is the result of a high performance in 2019-2020 – thanks to our well-developed gas transmission infrastructure and favourable gas prices on the market, we were able to transport exceptionally high volumes of gas through Lithuania. This situation allows us to apply the lowest gas transmission price ever,' said Nemunas Biknius, CEO of gas transmission system operator Amber Grid.

Gas transmission is a regulated activity, so the trend of low prices for transmission services is due to a one-off adjustment, returning to consumers the additional revenues and cost savings for 2019 and 2020, as well as a 7.2% increase in forecast natural gas flows.

The average price of transmission services for Lithuanian and international consumers will be EUR 0.72/MWh in 2022. This is 14.3% lower than the average price for 2021 of EUR 0.84/MWh.

Amber Grid has included the planned launch of the GIPL interconnection in its pricing of gas transmission services for 2022. The Santaka gas entry and exit points on the Lithuanian-Polish border will become available once the GIPL pipeline is installed and gas trading and transportation through the new pipeline starts. An hourly capacity product and price will be introduced at Santaka interconnection point, as in many other European countries. Until now, a daily capacity product price has been applied at all entry and exit points of the Lithuanian transmission system. At the Santaka interconnection point between Lithuania and Poland, the same price is proposed as at the Kiemėnai interconnection point between Lithuania and Latvia.

At all entry points, the prices for transmission services are expected to remain aligned with the entry prices in the neighbouring tariff area of Latvia, Estonia and Finland. In order to create the best possible conditions for market participants to use the Klaipėda LNG terminal and to increase the competitive pressure on prices in the gas market, it is proposed that the NERC continues to maintain the 75 % discount on the price of transmission services at the Klaipėda entry point.

Amber Grid's base cost level set by the NERC for 2022 is by 8.2% higher than in 2021 due to the investments in the construction of the interconnection with Poland and the costs of upgrading and modernising the Lithuanian transmission network. In addition, the transmission tariffs for 2022 partially include compensation to the Polish operator GAZ System for the implementation of the GIPL project of common interest.

The new pipeline infrastructure element, i.e., the gas interconnection with Poland, is also expected to result in additional natural gas flows through the gas system: Amber Grid is planning to transport more than 56

TWh of gas in 2022, which is almost 12% more than the estimated level in 2021. The projected levels of long-term and short-term booked capacity, consumption capacity and transported volumes have been based on historical data and a survey of existing and potential system users.

The prices for gas transmission services in 2022 were influenced by the results of the public consultation on the transmission pricing methodology to be applied in 2022-2023, which took place between December 2020 and February 2021, the results of Amber Grid's 2020 survey on the commercial use of the GIPL interconnection and the opinions of market participants.

Following the agreement with the NERC, the prices for gas transmission services, effective from 1 January 2022, will be published on Amber Grid's website [www.ambergrid.lt](http://www.ambergrid.lt).

Further information:

Laura Šebekienė, Amber Grid Head of Communications

Tel. 8 699 61246, e-mail: [l.sebekiene@ambergrid.lt](mailto:l.sebekiene@ambergrid.lt)