

During the 1st half of 2019 Amber Grid earned EUR 26 million of revenue

During the first half of 2019, Amber Grid, which is the natural gas transmission system operator belonging to EPSO-G group of energy transmission and exchange companies, earned EUR 26 million of revenue, compared to EUR 27.5 million of revenue earned during the same period last year. The remarkably increased gas transportation to Latvia in the second quarter and higher consumption in Lithuania allowed partial amortization of lower demand for gas transportation services at the beginning of the year due to warm winter weather.

'The fact that in this half of the year gas consumption in Lithuania increased and the volume of transportation services provided to other Baltic States has doubled, promotes positive moods. This clearly showed that a well-developed gas transmission infrastructure in Lithuania and Klaipeda LNG Terminal are actively used for the needs of all Baltic region, and this allows us to work more efficiently. Favourable market prices for LNG further encourage transportation of gas through Lithuania to neighbouring countries. Therefore, these figures are likely to grow much further until the end of the year', – says Saulius Bilys, the CEO of Amber Grid.

The consolidated pre-tax profit of Amber Grid of the first half of 2019 was EUR 6.1 million. This is 18.8 % less than at the same time last year when the pre-tax profit was EUR 7.5 million. In the first half of the year the Company earned EUR 5.1 million of consolidated net profit or 22.7 % less than in the first half of 2018 when the net profit amounted to EUR 6.5 million.

The EBITDA (earnings before interest, taxes, depreciation, and amortisation) of the first half of 2019 was EUR 11.4 million and is 18.8 % lower compared to the first half of 2018 when the EBITDA was EUR 14 million. As of 2019, a new 5-year regulatory period began. During this period, more than halved rate of return on investment (reduced from 7.09% to 3.33%) was established for Amber Grid.

Significant investments have been made in the first six months of the year in renovation of reliable gas transmission network and much attention was paid to operational efficiency. The consolidated operating costs of Amber Grid decreased by 1.4% and amounted to EUR 19.7 million. In the first half of this year, Amber Grid allocated an amount of EUR 8.8 million for the modernization of the gas transmission network, or 1.5 times more than at the same time last year (EUR 5.8 million).

4% bigger amount of gas was transported to Lithuania, and the volume of gas transportation to the Baltic States has doubled

During the first half of 2019, 14 terawatt-hours (TWh) of natural gas were transported to Lithuania, not including gas transit to Kaliningrad region. This is 4.1% more than in the first half of 2018 when 13.4 TWh of natural gas were transported to Lithuania.

12.6 TWh of gas were consumed for Lithuania needs. This is 1.4% more than at the same time last year when 12.4 TWh of gas were consumed. An amount of 1.2 TWh of natural gas was transported in the direction of Latvia and Estonia. That is almost twice as much as than in the first half of 2018 (46% more) when 0.8 TWh of gas were transported to the Baltic States.

In the first half of 2019, 43% of the total amount of gas, transported to Lithuania were supplied from Klaipėda LNG terminal. 57% of gas were supplied via gas pipelines from Belarus and Latvia. The amount of gas supplied via Klaipėda LNG terminal was over one-third, which is 36%, higher compared to the same period last year.

During the first half of this year, gas transit through Lithuania to Kaliningrad region amounted to 13.5 TWh and was 8.5% lower than at the same time last year when 14.7 TWh of natural gas were transmitted through our country in transit to Kaliningrad region.

Gas is supplied to Lithuania through Klaipėda LNG Terminal and from Russia through Belarus and Latvia. In the future, after gas interconnection between Poland and Lithuania will be constructed at the end of 2021, another alternative source of gas supply, that will ensure gas supply from Western Europe and other sources through Poland to Lithuania, other Baltic States and Finland, will be created.

For the purposes of increasing market competitiveness: a new initiative in the field of renewable energy and increasing gas transmission capacity

In promoting production of green gas in Lithuania, in the first half of 2019, the natural gas transmission system operator Amber Grid has started providing another service for business – the guarantees of origin of gas produced from renewable energy sources (RES). The company not only administers the National Register of the guarantees of origin of gas produced from RES, but also strengthens its knowledge and participates in international projects in order to become the centre of excellence of green gas in Lithuania.

Creation of renewable energy sources as well as of conditions for flexible use of green gas in the transmission network brings Lithuania closer to the objective pursued that is set in the National Energy Strategy, specifically - to largely phase out fossil fuel by 2050 and to become the country of green energy.

In June, Amber Grid, together with Latvian gas transmission system operator Conexus Baltic Grid, has lodged an application with the Innovation and Networks Executive Agency (INEA) under the European Commission for the funding of the project intended for increasing the capacity of the gas interconnection between Lithuania and Latvia. Increasing gas transmission capacity between Lithuania and Latvia will facilitate market access to Klaipėda LNG Terminal, Latvia's Inčukalnis Underground Gas Storage Facility and GIPL gas interconnection.