

Consultation questions on the draft methodology of parameters calculation for Lithuanian Capacity Mechanism

1 Introduction

- 1.1 This document presents a selection of questions related to the draft methodology of parameters calculations for Lithuanian Capacity Mechanism. All stakeholders of the Lithuanian Capacity Mechanism are welcome to express their opinion on the current draft methodology.
- 1.2 The consultation questions below are structured along the same four parts of the published draft methodology of parameters calculation for Lithuanian Capacity Mechanism.

2 Part 1: Methodology for the calculation of de-rated capacity of physical units

- 2.1 LitGrid welcomes views on all aspects of the proposed methodology for the calculation of de-rated capacity of physical units, in particular:
 - a. Do respondents agree with the proposed general approach to marginal de-rating of physical units?
 - b. Do respondents agree with the use of a marginal de-rating approach for Lithuanian capacity and interconnectors?
 - c. Do respondents agree with the use of marginal de-rating factors calculated for Lithuania to Foreign Capacity?
 - d. Do respondents agree with the scenarios considered in the de-rating calculation for the 2025 delivery auction? and
 - e. Do respondents agree with the categories of technologies for marginal de-rating calculation?

3 Part 2: Methodology for the calculation of Maximum Entry Capacity

3.1 LitGrid welcomes views on all aspects of the proposed methodology for the calculations of Maximum Entry Capacity, in particular:

- a. Do respondents agree with the general approach to Maximum Entry Capacity and simultaneous scarcity assessment?
- b. Do respondents agree with the use of two-step transitory methodology of Maximum Entry Capacity calculation for the 2025 delivery auction?

4 Part 3: Methodology for the allocation of Auction Target Capacity

4.1 LitGrid welcomes views on all aspects of the proposed methodology of the Auction Target Capacity calculation, in particular:

- a. Do respondents agree with the proposed calculation of the Target Capacity across considered scenarios based on the social welfare analysis?
- b. Do respondents agree with the proposed calculation of Auction Target Capacity and demand curve parameters for the 2025 delivery auction, such as X% and Y%?

5 Part 4: Methodology for the Allocation of Congestion Rent

5.1 LitGrid welcomes views on all aspects of the proposed methodology for the Allocation of Congestion Rent, in particular:

- a. Do respondents agree with the application of the Congestion Rent allocation by border?
- b. Do respondents agree with the proposed approach to account for coincident stress probability in Congestion Rent allocation? and
- c. Do respondents agree with the two options for dealing with situations when the Maximum Entry Capacity has not been fully allocated to the eligible foreign capacity?