

TGF Project Profile : Benaičiai Wind Power Development, Lithuania

The Project Activity

The Benaičiai wind power development project, is a Joint Implementation project developed between Lithuania and the investor countries and companies of the Baltic Sea Region Testing Ground Facility (Iceland, Norway, Sweden, Denmark, Finland and Germany, DONG Natargas, Fortum, Kymppivoima, Keravan Energia, Gasum, Outukumpu Vapo and Vattenfall). The JI project was prepared by NEFCO on behalf of TGF (in its capacity as Fund Manager to the Facility). The project developer and owner is the privately owned company, UAB Achema Hidrostotys.

The proposed project activity is the development of 16.5 MW installed capacity (6 turbines at ca. 2.75 MW each) wind power project at the Jonlaukio village in Kretinga district municipality of western Lithuania. The expected net energy output of this project is ca. 47 GWh per year. The project is located at the western coast, with Lithuania's highest wind speeds and number of prevailing windy days. All relevant permits have been secured.

Nature of Emission Reductions

The Benaičiai wind project will generate emission reductions through the displacement of carbon intensive electricity from the Lithuanian power grid. The investment project is expected to result in an emission reduction of ERUs 148,500 tCO₂e. The emission reductions are purchased by the TGF. For a full explanation of the methodology used refer to the Project Design Document.



Vestas Wind Turbine (Source : Photo from www.vestas.com)

Technology

The wind turbines will be supplied by the Danish manufacturer, Vestas and will be of the V-100 type. Vestas will also provide service and maintenance.



Substation construction at the Site

Contribution of Carbon Finance

Investment costs of the project are estimated at EUR 26 million. The investments costs include erection of the wind farm, power station, and connection to grid and project development. Financing is based on own capital resources, leasing arrangements and sales of CO₂ reduction units.

Carbon finance was integral to the financing of the project given the insufficient financial return and level of uncertainties relating to tariffs.

For Further Information

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For General Information on the TGF, visit
<http://www.nefco.org/tgf>