

## TGF Project Profile : Sudenai-Lendimai Wind Power Developments, Lithuania

### The Project Activity

The Sudenai-Lendimai 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, Vattenfall Europe and Vattenfall Generation ). The JI project was prepared by 4Energy and LHCarbon in cooperation with NEFCO on behalf of TGF (in its capacity as Fund Manager to the Facility). The equity investors in the two project companies UAB Vejo Elektra and UAB Lariteksas are Vardar Eurus and AS Freenergy.

The proposed project activity is the development of 14 MW installed capacity (7 turbines at 2 MW each) wind power project located at the Sudenu (4 turbines) and Lendimu villages (3 turbines) in Kretingos district municipality of western Lithuania. The expected net energy output of this project is ca. 41,5 GWh per year. The project is located at the western coast, with Lithuania's highest wind speeds and number of prevailing windy days. Construction is expected to commence Q1, 2008.

### Nature of Emission Reductions

The Sudenai-Lendimai 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 110,000 tCO<sub>2</sub>e. The emission reductions are purchased by the TGF. For a full explanation of the methodology used refer to the Project Design Document.

### Technology

The wind turbines will be supplied by the German manufacturer, Enercon GmbH and will be of the E82 type. Enercon will also provide service and maintenance in cooperation with the Estonian company 4 Energy.



*Enercon E-82 Wind Turbine (Source : Photo from [www.enercon.de](http://www.enercon.de))*

### Contribution of Carbon Finance

Investment costs of the project are estimated at EUR 20 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, loan finance and sales of CO<sub>2</sub> 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>