

**From:** INEA CEF ELECTRICITY  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** Action 4.7-0016-LT-S-M-17 "Evaluation of technical condition of the infrastructure and penstock site for the Kruonis PSPP Expansion"  
**Attachments:** 4.7-0016-LT-S-M-17\_V1.xml

Dear [REDACTED],

Following the call for proposals of 26th April 2017 concerning projects of common interest under the Connecting Europe Facility in the field of energy, on 25th January 2018 the CEF Coordination Committee gave a positive opinion on a list of Actions proposed for funding.

We are happy to inform you that this list also includes Action 4.7-0016-LT-S-M-17 "Evaluation of technical condition of the infrastructure and penstock site for the Kruonis PSPP Expansion"

For your information, you will find at the bottom of this email the overall comments regarding the proposal as provided by the Evaluation Committee. Information regarding the marks awarded to the proposal may be communicated upon request.

Without prejudice to the final decision to be taken by the European Commission in the coming weeks, and in order to facilitate the next steps, please find attached a first draft version of annex 1 of the Grant Agreement for your review. We would be grateful to receive your comments and/or modifications on this draft **by 5th February 2018** in order to accelerate the preparation and signature of the Grant Agreement. Bearing in mind that the proposed action ends on 31/12/2018, we count on your dedicated commitment to finalising the text of the grant agreement as quickly as possible.

I take this opportunity to request that you provide us with the following information:

- Please provide the signature of the competent authority for the Water Framework Directive (Application Form part C, point 6)
- The name and title of the person who will sign the Grant Agreement
- The contact details and the name and title for the contact person

Furthermore, we would like to invite you for a meeting on **9th February 2018 at 9:30-13:30** at INEA in Brussels. The purpose of this meeting will be to clarify any open questions on the revised draft Grant Agreement, for you to provide us with an updated presentation of the envisaged Action and to discuss a number of specific elements concerning its implementation (objectives, description of activities and milestones etc.). Depending on your preferred arrangements, a video conference could alternatively be organised to serve the same purpose. For planning purposes, we would be grateful to receive confirmation of your availability for the meeting by 2nd February 2018.

I would like to highlight that this e-mail does not constitute a formal commitment by INEA or the European Commission to provide financial support to the envisaged Action. This will depend on the successful conclusion of the grant preparation process. I would like to draw your attention to the fact that you will not acquire any rights until all parties have signed the grant agreement.

For further correspondence, please always indicate the Action code, i.e. 4.7-0016-LT-S-M-17 in subject and only use the functional mailbox [INEA-CEF-ELECTRICITY@ec.europa.eu](mailto:INEA-CEF-ELECTRICITY@ec.europa.eu) (please don't reply to the EC ARES NOREPLY email address).

Please do not hesitate to contact me should you have any questions or clarifications on this matter.

I look forward to your reply at your earliest convenience.

Best regards,



Project Manager - Unit C4 – Energy and ICT



**European Commission**

Innovation and Networks Executive Agency (INEA)

Chaussée de Wavre 910 - W910 01/111 - B-1049 Brussels



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## **OVERALL COMMENTS**

This action encompasses 2 activities. It aims at carrying out a study to assess the condition of the technological infrastructure built in 1985 and its suitability for the project of common interest 4.7. “Capacity increase of hydropumped storage in Lithuania —Kruonis” which aims to install a new 225 MW variable speed (asynchronous) generator-turbine unit.



The cross-border dimensions of the action is good considering the nature of the project, which is inherently limited to one Member State. However, a qualitative approach was applied to consider the relevance of the action in the whole Baltic region.

The need to overcome financial obstacles is broadly addressed, but with a number of shortcomings due to the uncertainty of the synchronisation scenario for the Baltic region. However, the action will not proceed without financial assistance clearly indicating the obstacle.

The soundness of the implementation plan is excellent outlining detailed information about management processes and control procedures. The risks have been identified together with appropriate mitigation measures. The financial assistance under CEF is having a good stimulating effect on the action, considering that a final decision on its implementation has not been taken prior to the award decision of the grant. The action is considered necessary for the implementation of the 4.7 PCI. To ensure the earliest implementation for the 4.7 PCI, the action should be completed in 2017-2018 as it will provide the necessary information to decide on the PCI's financial model. This proposal is recommended for funding.