DESCRIPTION OF THE PROCEDURE FOR SUPPLYING CONSUMERS WITH ENERGY AND/OR ENERGY RESOURCES IN THE EVENT OF AN ENERGY EMERGENCY

CHAPTER I
GENERAL PROVISIONS

1. The Description of the Procedure for Supplying Consumers with Energy and/or Energy Resources in the Event of an Energy Emergency (hereinafter referred to as the “Description”) shall regulate the supply of consumers with energy and/or energy resources in the event of an energy emergency (hereinafter referred to as an “emergency") as well as emergency preparedness and management and the use of state stocks of petroleum products and crude oil which, in accordance with the provisions of the Republic of Lithuania Law on State Stocks of Petroleum Products and Crude Oil, Public Institution Lithuanian Energy Agency and obligated enterprises must accumulate (hereinafter referred to as “stocks") for the Republic of Lithuania in compliance with international obligations.

2. The Description must be adhered to by state and municipal institutions and bodies, energy undertakings, and legal and natural persons consuming energy resources or energy (hereinafter referred to as “consumers”).

3. The terms used in the Description shall correspond to the terms defined in the Republic of Lithuania Law on Energy, the Law on State Stocks of Petroleum Products and Crude Oil, and the Republic of Lithuania Law on Civil Protection.

CHAPTER II
EMERGENCY PREPAREDNESS AND MANAGEMENT

4. In accordance with the Law on Civil Protection, the Law on Energy, the Law on State Stocks of Petroleum Products and Crude Oil and the Description, emergencies shall be managed by the following, within the competence thereof:

4.1. the Government of the Republic of Lithuania;
4.2. the Republic of Lithuania Government Emergency Commission (hereinafter referred to as the “Commission”);
4.3. the Ministry of Energy of the Republic of Lithuania;
4.4. the director of the municipal administration.

5. The Government of the Republic of Lithuania shall:
5.1. take decisions regarding the extraction, processing, production, import, export, bringing in, taking out, transit, storage, loading, transportation, transmission, distribution, supply, trade, stockpiling and stock management of energy resources and energy, the installation and/or operation of energy facilities and equipment, and the procedure for consuming energy resources and energy in the event of an emergency;
5.2. take decisions to use stocks.

6. The Commission shall:
6.1. establish restrictions on the supply and consumption of energy resources and energy for energy undertakings and consumers;
6.2. take decisions on freezing or regulating the prices of energy resources and energy and services provided;
6.3. submit proposals to the Government for taking over the administration of economic operators;
6.4. take decisions regarding permission to import, bring in, produce, sell or consume petroleum products or other fuels which do not comply with applicable national mandatory quality indicators or environmental requirements or standards.

7. The Ministry of Energy shall:
7.1. assess the state of energy resource and energy supply to energy undertakings and consumers at the national level;
7.2. submit draft resolutions to the Government on the declaration and termination of an emergency;
7.3. if the Government decides to use stocks, submit draft resolutions to the Government regarding the quantities, nomenclature and distribution procedure of the stocks permitted to be used;
7.4. in the event of an emergency, prepare and submit to the Commission proposals for the implementation of the measures referred to in item 6 of the Description.

8. The director of the municipal administration shall:
8.1. in accordance with the provisions of the legislation referred to in items 19, 20, 23 and 25 of the Description, compile and coordinate with energy undertakings lists of the economic operators located in the territory of the municipalities, ranking the economic operators according to importance, as well as the order of priority for applying restrictions on the supply of energy resources and energy;
8.2. oversee the implementation of the provisions of item 11 of the Description.

9. Energy undertakings are responsible for emergency preparedness. If an emergency is declared, energy undertakings must be prepared to carry out the instructions of the Government and the Commission regarding restrictions on the supply and consumption of energy resources or energy and price freezes (fixing).

10. In the event of a disruption in the supply of petroleum products or crude oil when an emergency has not yet been declared, undertakings engaged in the extraction, production, import, export, trade, bringing in or taking out of petroleum products and/or crude oil (hereinafter referred to as “oil undertakings”) must immediately inform the Ministry of Energy of disruptions in the supply of petroleum products or crude oil due to external factors, where this supply is disrupted to the extent that the oil undertakings are unable to forecast and manage these disruptions in a timely manner using methods of economic activity, and if there are no measures to restore the quantity of petroleum products or crude oil supplied before this disruption, and this disruption may affect the supply of energy resources or energy to consumers. When informing about disruptions in the supply of petroleum products or crude oil, oil undertakings must notify the Ministry of Energy of the reasons for the supply disruption and the forecasts for the resumption of supply or further restrictions, and indicate the amount of available petroleum products or crude oil and their storage locations. From the next Monday until when the supply of petroleum products and crude oil is resumed, the oil undertakings must notify the Ministry of Energy every Monday or at intervals specified by the Ministry of Energy of the available amounts of petroleum products and crude oil and their supply and consumption, as well as other relevant information related to resumption of the supply of petroleum products and crude oil.

11. Energy undertakings must draw up energy emergency preparedness plans (hereinafter referred to as “plans”) and submit them to the director of the administration of the municipality which has jurisdiction over the territory where they are located. The plans must include measures to:
11.1. ensure operation of the undertakings in the event of an emergency;
11.2. ensure the best possible provision of energy resources and energy to consumers;
11.3. use alternative energy sources;
11.4. reduce the consumption of energy resources and energy at the undertaking;
11.5. limit the supply of energy resources and energy to consumers.

12. The Category I enterprises of importance to ensuring national security, Category II enterprises of importance to ensuring national security, and Category III enterprises of importance to ensuring national security specified in Annexes 1 to 3 to the Republic of Lithuania Law on the Protection of Objects of Importance to Ensuring National Security must submit the plans referred to in item 11 of the Description to the Ministry of Energy and the director of the administration of the municipality which has jurisdiction over the territory where they are located.

CHAPTER III
EMERGENCY REGULATION

13. An emergency can be declared in all or part of the territory of the state, in accordance with Article 33 of the Law on Energy.

14. If an emergency is declared, the restrictions on the supply of energy resources and/or energy and the obligations on energy undertakings and other persons established in the Law on Energy, the Law on State Stocks of Petroleum Products and Crude Oil and this chapter of the Description shall apply.

15. If an emergency is declared, energy resources and energy shall be supplied according to a supply restriction regime, having regard to all of the circumstances and situations in the individual energy sectors. Restrictions may apply in all or part of the territory of the state. During martial law, and in certain cases during a state of emergency as well, supplying the national defence system with energy resources shall not be restricted in order to ensure the performance of the indispensable functions of the national defence system.

16. Energy undertakings and consumers shall be responsible for implementation of the measures established to restrict the supply and consumption of energy resources and energy in the event of an emergency.

17. No later than the day after an emergency is declared, energy undertakings must notify the Ministry of Energy of available crude oil and petroleum product resources (stocks and production and reserve stocks of petroleum products in natural tonnes at midnight on the day of declaration of the emergency) and specify their storage locations. If an emergency is declared, from the next Monday until the emergency is lifted, energy undertakings must notify the Ministry of Energy every Monday or at intervals specified by the Ministry of Energy of the quantity, location, supply and consumption of the petroleum products or crude oil available.

18. Energy undertakings supplying energy resources or energy to consumers may not groundlessly increase the prices for these resources or energy, or for the supply thereof.

19. In the event of an emergency, the supply of electricity shall be restricted or suspended in accordance with the Rules for the Supply and Use of Electricity approved by the Minister of Energy.

20. In the event of an emergency, the supply of heat shall be restricted or suspended in accordance with the Rules for the Supply and Consumption of Heat approved by the Minister of Energy.

21. Energy undertakings shall have the right, on their own initiative, to immediately suspend or limit the supply of energy to consumers when accidents need to be localised where the safety of human life, health or property is at stake. In such cases, the energy undertakings must inform consumers within 24 hours of the reasons for, and duration of, the restriction or suspension of supply. In the event of a sudden interruption in the supply of energy or energy resources, energy undertakings must take the necessary steps without delay and notify the Ministry of Energy and the Commission thereof.

22. Energy undertakings may apply restrictions when the supply of energy resources or energy drops for a short period due to necessary repairs and an emergency has not been declared.

23. In the event of an emergency, the supply, transmission and distribution of gas shall be restricted or terminated in accordance with the Description of Measures to Ensure the Reliability of
Natural Gas Supply approved by Resolution No 163 of 28 February 2008 of the Government of the Republic of Lithuania “On Approval of the Description of Measures to Ensure the Reliability of Natural Gas Supply”.

24. Oil undertakings must ensure that petroleum products sold during an emergency are distributed evenly throughout the territory of the state.

25. The Ministry of Energy shall establish a plan for applying restrictions on the supply and consumption of petroleum products on energy undertakings and consumers.

26. In the event of an emergency, restrictions on the consumption of petroleum products shall minimally apply to forces in the civil protection system.

27. In the event of an emergency, local energy resources shall be used for energy production and public and special transport.

28. Undertakings which export biomass (wood, peat, straw and products made from pellets, briquettes and other biomass) must suspend the export of these resources in order to better provide for biomass consumers while increasing stocks of these fuels.

29. Undertakings which supply timber to timber processing undertakings must reduce and, if necessary, suspend the supply of timber in order to meet fuel demand.

30. In the event of an emergency, restrictions on the supply of energy resources and energy to consumers as well as restrictions on consumption shall be made public through mass media. Energy undertakings, municipalities, the Commission, and other institutions, within their competence, are required to inform consumers.


32. State and municipal institutions and bodies shall have the right to obtain from energy undertakings the information necessary to perform the functions established in the Description.

33. In the event of an emergency, supervision of energy undertakings shall be carried out by the National Energy Regulatory Council, the State Consumer Rights Protection Authority, the State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania, the Customs Department under the Ministry of Finance of the Republic of Lithuania, the police, national defence and other state and municipal institutions and bodies, within their competence.

CHAPTER IV
USE OF STOCKS IN COMPLIANCE WITH INTERNATIONAL OBLIGATIONS

34. Stocks may be used for the Republic of Lithuania in compliance with international obligations when the International Energy Agency Governing Board takes an international decision to use the stocks in accordance with the 18 November 1974 Agreement on an International Energy Program (hereinafter referred to as an “international decision”).

35. If the Government has not declared an emergency, in the implementation of an international decision, the decision to use stocks accumulated by obligated enterprises shall be taken by the Ministry of Energy and the decision regarding the use of specific stocks of petroleum products shall be taken by the Government.

36. Upon the Government taking a decision to declare an emergency and in the implementation of an international decision, the decision to use stocks shall be taken by the Government.

37. In taking a decision to use stocks in accordance with the procedure specified in items 35 and 36 of the Description, the Government or the Ministry of Energy shall take into account the recommendations of the European Commission and/or the International Energy Agency. In the decision regarding the use of stocks, the Government or the Ministry of Energy shall indicate the reason for their use, the petroleum products and the amount and period during which the stocks are permitted to be used, as well as the deadline by which the stock level confirmed in the stockpiling obligations must be restored.
38. The Ministry of Energy must inform the Government within five working days of the decision to use stocks.

39. When executing a request from the International Energy Agency related to an international decision or emergency exercises conducted by the International Energy Agency, obligated enterprises must provide the Ministry of Energy and Statistics Lithuania with the information requested on stocks and their supply and consumption, as well as other relevant information related to resumption of the supply of petroleum products and crude oil, by the deadlines specified by the Ministry of Energy.