

Lithuanian Association for Energy Economics (LAEE)

The Lithuanian Association for Energy Economics was established in 1992, one year after the reestablishment of Lithuanian Act of Independence had been declared. The idea of creation of such association was generated even earlier, in 1990, when some freedom of “perestroika” period allowed broader contacts of scientists from the Baltic States with colleagues from Western countries. From the very beginning of existence of newly independent countries, security and stability of energy supply was a key issue for the survival of economics, particularly for Lithuania, without any significant local energy resources. Several representatives of IAEE from different countries (Kurt Lekās from Sweden, Tony Scanlan from UK, Ulf Hansen from Germany) visited Lithuania at that very difficult time and initiated the establishment of local Association for energy economics.

The members of this newly established association came from different institutions, related to energy, but a majority were from the Lithuanian Energy Institute – the main research center in the region. In October 1992 the IAEE together with the newly established local affiliate organized in Kaunas a very important East–European Conference “Improved energy efficiency in former centrally – planned economies”. For all participants and particularly for westerners it was great experience to get acquainted with the realities of energy supply in a newly independent state during that cold late autumn.

The membership of LAEE is very stable and from the beginning has fluctuated around twenty, representing the energy companies, regulatory bodies, research and academic. Since its establishment, the LAEE has worked actively to assist the government in different matters of energy economics and energy policy at a really difficult period of transition from centrally planned to free market conditions, and in the period of preparation for membership in the European Union. In the success of reforms and restructuring of the entire energy sector, with almost full implementation of a majority of the Directives of the European Union, there has been some valuable input from IAEE members.

The Lithuanian membership in the European Union almost coincides with the sharp price rise of all primary energy resources. The obligation to permanently shut down the Ignalina nuclear power plant - the main source of comparatively cheap electricity, by the end of 2009 when the remaining 90% of primary energy is imported from Russia creates a very specific political and economic environment, when energy issues are on top of the political agenda for almost on all parts of society. The members of Lithuanian AEE are trying to be active participants in related events and help the politicians find optimal solutions and keep the situation stable, at a time when a lot of hot issues are facing the energy sector of Lithuania.

In recent years efforts have been made to attract young PhD students who specialize in energy economics and related fields to join the LAEE and IAEE.

LAEE regularly organizes two meetings per year dedicated to the most important issues of the time. The seminars or workshops, which were organized during the period of 2005–2006 illustrates the following:

2005

- “The future of nuclear energy in Lithuania” organized in collaboration with the Ministry of Economy, Vilnius, March 24, 2005;
- “Hydrogen energy –hopes and realities”, Kaunas, June, 2005.

2006–2007

- “Energy supply options and security of supply in the Baltic States and common energy strategy”, Vilnius, April 10-11, 2006;
- “The analysis of Lithuanian and Baltic States energy strategies” in collaboration with the Ministry of Economy, January 30, 2007;
- “Role of distributed energy resources in the EU and current status in the Baltic States”, Vilnius, 6 March, 2007.

The accumulated experience, small but stable and dedicated membership, the strong support from Lithuanian Energy Institute and good professional relations with major energy companies create favorable conditions to organize the 2009 or 2010 European IAEE conference in Lithuania. We expect to announce that our Affiliate will propose hosting a future European Conference during European IAEE conference in Florence this year.