



PRESS RELEASE
06/08/2019

The Board of Amber Grid confirmed the winner of the GIPL project construction works tender – the consortium of companies Alvora and Šiaulių dujotiekio statyba

The Board of Lithuanian natural gas transmission system operator Amber Grid made a decision on the conclusion of the agreement for the purchase of the construction works of the international gas pipeline GIPL with companies forming the group of economic entities, Alvora and Šiaulių dujotiekio statyba. Estimated value of the contract – EUR 79.85 million (excluding VAT). The final decision will be made at the Extraordinary General Meeting of Shareholders of Amber Grid to be held on 28 August.

‘The procurement process, which lasted over a year, was a crucial step in this project. Together with public authorities, we sought to maximize competition in supplier selection for this important and high value purchase. Our goal is to start construction of the gas interconnection between Lithuania and Poland as soon as possible and to complete the project on time’, - says Saulius Bilys, CEO of Amber Grid.

There were six bidders participated in the GIPL project construction works tender. The most economically advantageous bidder submitted in this tender was evaluated by the Commission for Coordination of Protection of Objects of Importance to Ensuring National Security regarding the compliance of the intended transaction with the interests of national security. On 29 July Amber Grid received the commission's conclusion that it is in line with the interests of national security to enter into a contract with the bidding consortium of Alvora and Šiaulių dujotiekio statyba.

Earlier on 25 July the first GIPL project contract was signed for the purchase of pipes for the construction of GIPL with Izostal S.A., company located in Poland. Estimated value of the agreement – EUR 26.4 million (excluding VAT).

After signing the contract with the winner of the construction works tender, the construction of the GIPL project will begin in the autumn of 2019. The 700 mm diameter pipeline will be constructed from the Jauniūnai Compressor Station in the Sirvintos district near the capital city Vilnius to the Lithuanian-Polish border in the Lazdijai district.

The GIPL interconnection is expected to be completed by the end of 2021. According to the project, the length of the pipeline will be 508 km, of which 165 km will lie in the territory of Lithuania. The total value of the GIPL project is EUR 500 million. The investment on the Lithuanian side will amount to EUR 136 million.

The construction of the gas interconnection will create capacity to transport up to 27 terawatt-hours (TWh) of natural gas per year in the direction of the Baltic States, up to 21 TWh per year in Poland. The Baltic gas markets will become part of the overall EU gas market.

Amber Grid is implementing a project of common interest of the European Union “Gas pipeline connection between Poland and Lithuania” (GIPL) together with the Polish gas transmission operator GAZ-SYSTEM S.A.

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