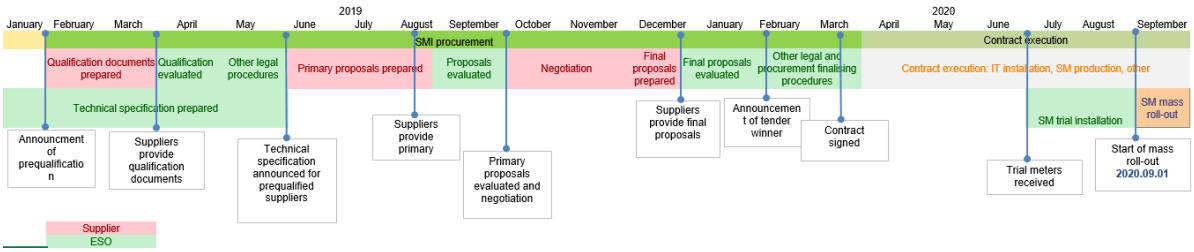
1. **Technology open tender.**
   Please be informed that we will not hold a separate procurement procedure for a specific communication technology, but we will allow the prime contractor to select the communication technology that best meets our requirements, which will be provided in the technical specification. We do not exclude any possible communications technology or a combination of several technologies.

   One of the reasons why a decision was made to entrust the selection of the communications technology (a combination of technologies) to professional suppliers and to publish a tender for the procurement of technology open smart metering infrastructure (Smart Metering Infrastructure (SMI)) is the planned low demand for data display every 15 minutes. Taking into account the current habits of customers using Mano Gilė self-service portal, we can see that data could be displayed every 15 minutes to a very small number of customers (15-20%); many would find the displaying of data once or several times per day more than enough. The exact requirements will be presented in the technical specification.
   During the market consultation, we tested the NB IoT technology, which is highly appreciated for high penetration and has great potential, but is relatively new (not mature) compared to other technologies, and not yet tested in mass meter deployments. We are continuing to test this technology, and we are currently holding a procurement procedure of test meters with NB IoT communication technology modules.
   It should be emphasized that preparatory works for the implementation of the program are not suspended, but the drafting of the technical specifications of Smart Meters and Smart Metering Information System (SM IS) as well as other procurement documents is continued.

2. **15 min requirement.**
   In the market consultation, we assessed not only the opportunities of taking readings of smart meters, but also transferring them to IT systems every 15 minutes, but we see that this will significantly increase the costs and risks of the IT part of the program. We made a decision to collect readings in meters at 15 minute intervals and send them to the SM information system at least once per day to the majority of users (a more precise definition will be provided in the technical specification). We consider this requirement to meet not only the requirements of the currently valid EU directives but also of the EU directives under consideration and the related legislation. We believe that less frequent readings allow using more communication technologies, increasing competition between suppliers and possibilities to install the most cost-effective solution.

3. **Updated guidelines.**
   Please find the updated guidelines for the prime contractor procurement of smart metering infrastructure.



4. **Defined main concepts**
   Main concepts were defined in order to avoid misunderstandings and misinterpretations.

Smart Meter or SM	Electronic meter with a "CE" mark and supplementary metrology marking in accordance with 2014/32/EU or 2004/22/EC directives, that can measure energy consumption, capture event in device and distribution network/system and more other information than a conventional meter, with the help of communication module by using DLMS (abbr. Device Language Message Specification) aplication layer protocol can transmit (send) and receive data for information, distribution network/system monitoring and control purposes;
Communications Infrastructure or Comms	Communications connecting a large set of nodes, at a minimum the entire population of Smart electricity meters in Lithuania and is scalable for future needs of Smart Grid. Infrastructure mainly consist of various communication modules and antennas (if needed), may be accompanied by DCUs or other aggregating node/gateway and in such a way creating a unified network to transfer data from Smart Meters to Smart Metering Information System.
Smart Metering Information System or SM IS	Central smart metering data collection and management IT solution which can be implemented as a unified solution (platform) or separate systems or applications comprising several functional elements. Firstly, to act as a back-end for the metering communication, control and monitor the communication to the smart meters. Secondly, to support cryptography and information security within the network and securely retrieve all metering data for grid management and energy bill calculation. Lastly, to support receipt, storage, processing and validation of electricity and gas meter data and associated events and through interfaces to forward relevant data to other Utility back-office systems such as Asset Management, Billing, Customer information, Outage Management, etc.
Smart Metering Infrastructure or SMI	Infrastructure comprising smart meters, communication infrastructure including data concentrator units (if communication infrastructure with DCUs is chosen) and smart metering information system built in conformance to the Technical Specification of SMI provided by the Buyer and in accordance to Lithuanian and EU legislation.

Following the publication of the procurement procedure, all suppliers having taken part in the market consultation will be e-mailed invitations to take part in the procurement procedure.

Thank you for your interest in ESO plans and active participation in the market consultations. We look forward to your active participation in future procurements.

Please also note that currently we are focusing on preparing for the publication of the procurement procedure, so meetings with potential tenderers are not being held. If you have any questions, please contact us by e-mail: smart@eso.lt.

Massive deployment of smart meters in Lithuania is planned in the fall of 2020.