



MINISTRY OF ECONOMY AND SUSTAINABLE
DEVELOPMENT OF GEORGIA

Zurabi Arveladze

Ministry of Economy and Sustainable Development of Georgia



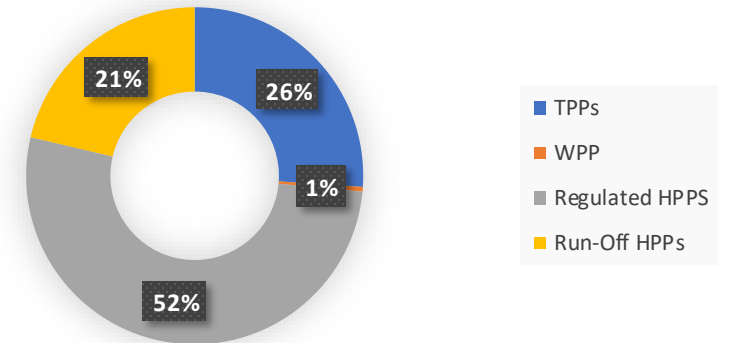
Current Energy Balance

➤ The installed capacity of the energy system of Georgia - 4 564 MW

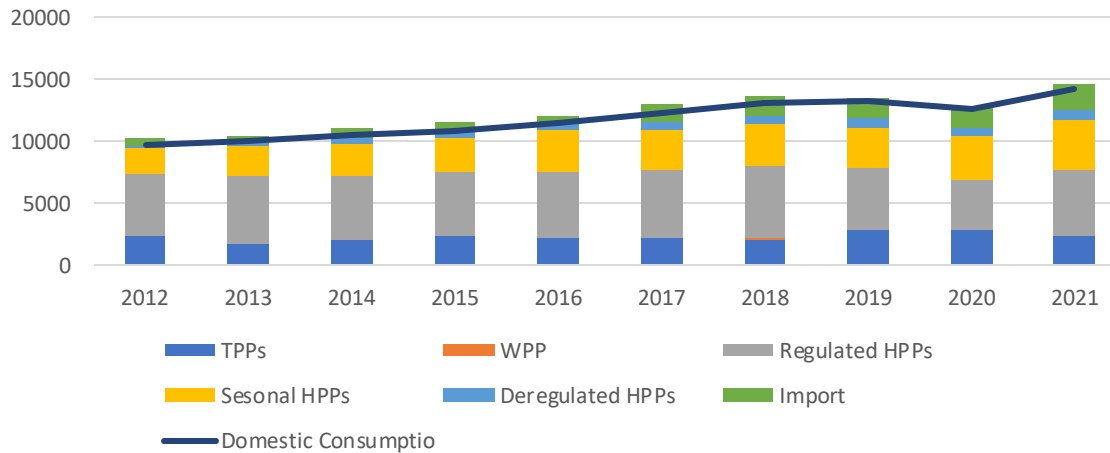
Including:

- Hydro plants - 3 354 MW
- Wind power plant - 20.7 MW
- Thermal power stations - 1 189 MW

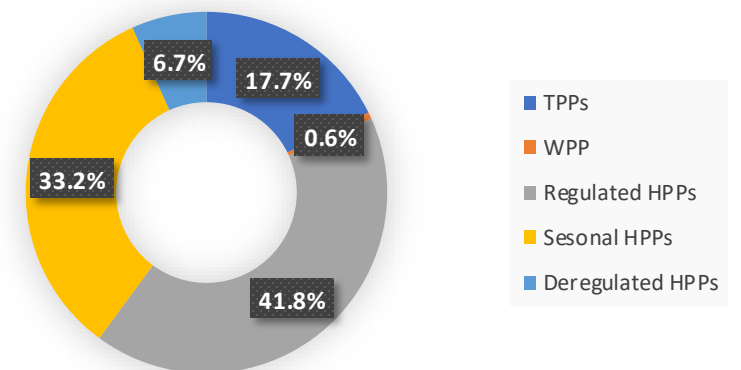
Installed Capacity- 2022 წ.



Electricity Supply
Mln.kWh



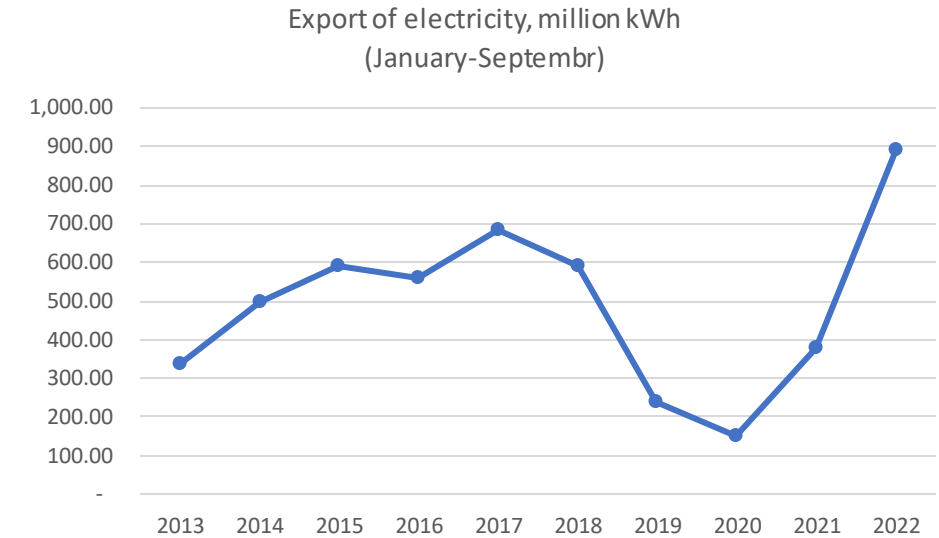
Electricity Generation
January-August 2022



Electricity energy balance of Georgia



- According to the data of the period of January-December 2022
 - Local electricity generation reached the highest level in the same period of last years
 - Export of electricity has reached the maximum in the last 12 years



Actual data for 2022 (January-December):

- Generation – 10.96 Billion. Kwh
- Local consumption - 11.15 Billion. Kwh
- Import - 1,462 Billion. Kwh
- Export - 0,98 Billion. Kwh

Construction of new power plants

➤ Since 2012, 60 power plants have been put into operation

- *Total installed capacity - 1190,96 MW*
- *Total annual generation - 6218,51 GWh*
- *Total investment - 1.859 bln. usd\$*

Between them:

- *57 Hydropower plants*
- *2 Thermal power plants*
- *1 Wind power plant*





Current projects

Feasibility study stage				
Type	Number	Installed capacity (MW)	Annual Generation (GWh)	Approx. Investment(Mln. Usd\$)
Wind	17	771,5	2907,3	1182
Hydro	118	1129,2	5739	1700,2
Solar	37	251,3	382,5	148,6

Construction licensing and construction phase				
Type	Number	Installed capacity (MW)	Annual Generation (GWh)	Approx. Investment(Mln. Usd\$)
Wind	1	8	14,49	4,2
Hydro	54	494,3	2298	769
Solar	-	-	-	-

- **A pilot project for the production of green hydrogen has been launched**
- **A hydrogen committee was formed and began work on an action plan**



Normative Framework base Promoting Renewable Energies

"Support Scheme for Production and Use of Energy from Renewable Sources" N403 Resolution of GoG defines measures supporting the construction and operation of a power plant with an installed capacity of more than 5 MW working on renewable sources in Georgia by a private initiator.

- ✓ Support period - **10 years, 8 months (Sep-Apr)** after starting the commissioning according to the applicable law;
- ✓ Premium tariff up to **1.5 \$ cents per kW/h**;

Important note: Premium tariff is paid in the form of adding to the wholesale price recorded at the organized electricity market for the relevant hour, only in the cases when during the support period for the relevant hour generated by the Power Plant and at the organized electricity market sold wholesale electricity price is lower than **5.5 \$ cents per kW/h**;

RES new scheme is based on competition and market principles, which will contribute to the development of the energy sector of Georgia. Development of projects under the mentioned scheme will be carried out in accordance with the PPP legislation. CfD (Variable Premium)

The capacity auction will be held for upcoming 3 years in several lots, for a total amount not exceeding **1500 MW**.

- Hydro power plants - 950 MW
- Wind power plants - 250 MW
- Solar power plants - 250 MW
- Other renewables (Hydrogen, biogas, biomass, geothermal etc.) – 50 MW

The abovementioned capacities will be auctioned in three phases (in proportion to the different technologies):

- Phase I - 300 MW (2022-2023)
- Phase II - 400 MW (2023-2024)
- Phase III - 800 MW (2024-2025)

Support conditions

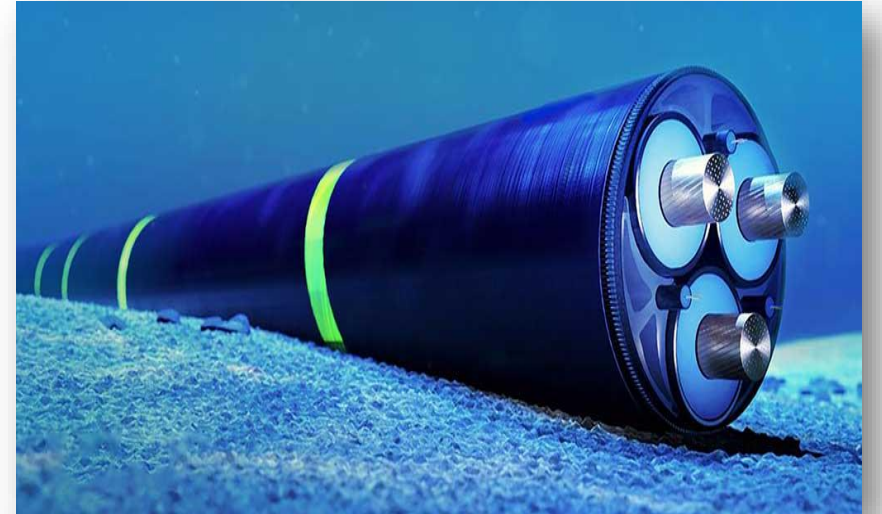
Tariff: -- US cents/kWh - **only price component will be open**

Support period: 15 years

- Hydro power plant - 8 months (September - April)
- Wind power plant - 9 months (August - April)
- Solar power plant - 12 months

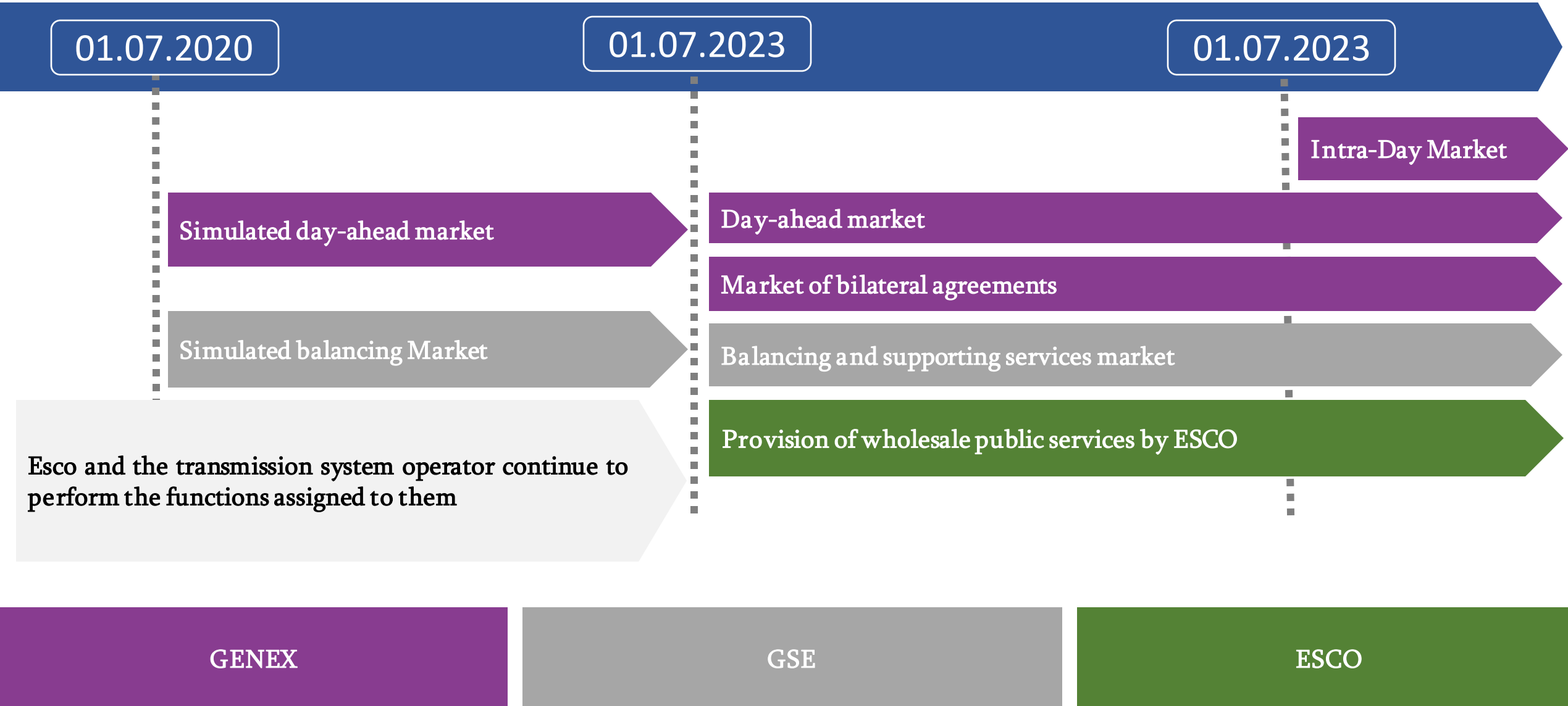
Transmission Infrastructure

- Georgian State Electrosystem provides reliable power supply through the transmission network in Georgia. GSE transmission infrastructure consists of 3350 km transmission lines and 90 substations. The transmission network is controlled from the National Dispatch Centre located in Tbilisi.
- **Black Sea Submarine Cable Project**
 - Total length of cable -1195 km.
 - Capacity - 1000 MW.
 - Approx. Investment –2,1 bln EUR
 - Approx. Year of commissioning - 2030



The Submarine cable will also be equipped with a digital connection that will provide high quality telecommunication between Romania and Georgia.

Launch Dates of New Model





New Normative Framework for Promoting Renewable Energies

RES new scheme is based on competition and market principles, which will contribute to the development of the energy sector of Georgia. Development of projects under the mentioned scheme will be carried out in accordance with the PPP legislation. CfD (Variable Premium)

The capacity auction will be held for upcoming 3 years in several lots, for a total amount not exceeding **1500** MW.

- Hydro power plants - 950 MW
- Wind power plants - 250 MW
- Solar power plants - 250 MW
- Other renewables (Hydrogen, biogas, biomass, geothermal etc.) – 50 MW

The abovementioned capacities will be auctioned in three phases (in proportion to the different technologies):

- Phase I - 300 MW (2022-2023)
- Phase II - 400 MW (2023-2024)
- Phase III - 800 MW (2024-2025)

Support conditions

Tariff: -- US cents/kWh - **only price component will be open**

Support period: 15 years

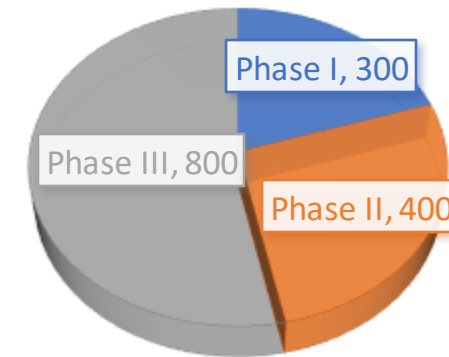
- Hydro power plant - 8 months (September - April)
- Wind power plant - 9 months (August - April)
- Solar power plant - 12 months



Capacity Auction

- The first auction for 300 MW installed capacity announced on February 10, 2023, has already been completed.
- Totally received 78 proposals for 900 MW.
- As a result of review and evaluation 27 companies have been identified as winners.
- 300 MW were distributed as follows:
 - 150 MW for Hydropower plants (run-off river),
 - 70-70 MW for Wind and Solar power plants
 - 10 MW for other renewable energy power plants*

CAPACITY AUCTION PHASES



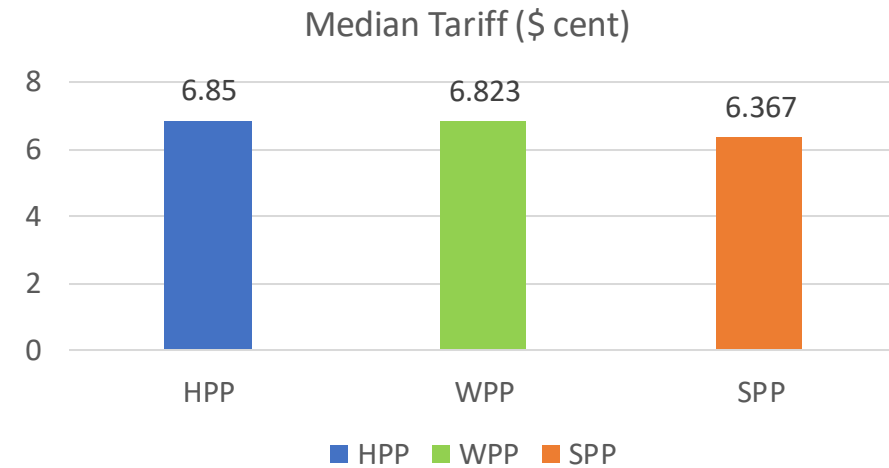
*As other renewable energy projects were not presented in the auction, 10 MW distributed to wind and hydropower plants.



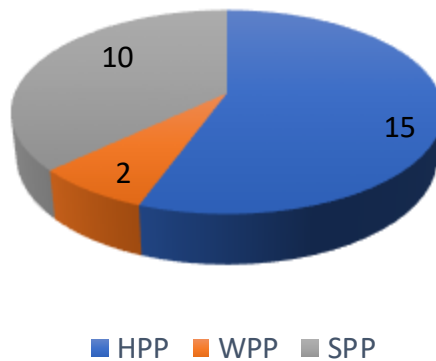
Capacity Auction

The median tariff was established as follows:

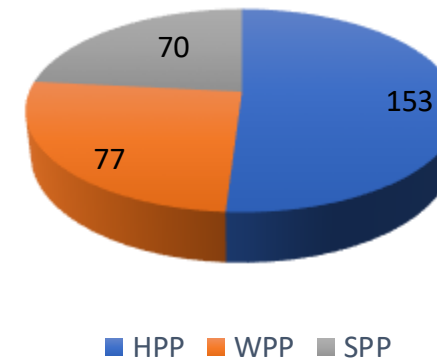
- Hydro power plants - 6.850 USD cents
 - Wind power plants – 6.823 USD cents
 - Solar power plants - 6.367 USD cents
-
- As a result of review and evaluation 27 companies have been identified as winners.



Capacity Auction Winners



Capacity Distribution by Sources (MW)



Thank You!



**MINISTRY OF ECONOMY
AND SUSTAINABLE DEVELOPMENT
OF GEORGIA**