

**Georgian National Energy and Water Regulatory Commission  
Resolution N33**

December 4, 2008, Kutaisi

**On the Electricity Tariffs**

The tariffs established on different issues of electric energy sector adopted by the Georgian National Energy and Water Regulatory Commission is reflected in the number of resolutions, which cause the confusion during the calculation of electric energy sector tariffs due to several amendments and additions introduced to them.

Accumulation of all mentioned tariffs into one standard act would assist the electric energy sector licensees in their activities and promote maximum awareness of the consumers of different voltage electricity.

According to all mentioned above and based on the Law of Georgia on Electricity and Natural Gas (Subparagraph b of Paragraph 5 of Article 4, Paragraph 1 of Article 5, Paragraph 1 of Article 11, Paragraph 2 of Article 42, Article 43 and Paragraph 1 of Article 49<sup>1</sup>), we resolve:

**Chapter I. Electricity Generation (Capacity) Tariffs**

**Article 1. Tariffs of Hydro Power Plants**

1. Marginal (upper margin) selling tariffs of the electricity generated by the hydro power plants:
  - a) Vartiskhe – 2005 Ltd - 1.25 Tetri/ kWh
  - b) Georgian Water and Power Ltd (ZhinvalHesi) – 2.721 Tetri/ kWh (29.12.2020 N82)
  - c) Energo-pro Georgia Generation JSC (LajanurHesi) - 2.768 Tetri/ kWh (18.12.2020 N75)
  - d) Energo-pro Georgia Generation JSC (Cascade of Gumati) HPPs) - 2.494 Tetri/ kWh (18.12.2020 N75)

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- e) Energo-pro Georgia Generation JSC (DzevrulHesi) - 4.653 Tetri/ kWh (18.12.2020 N75)
  - f) Energo-pro Georgia Generation JSC (RionHesi) - 1.436 Tetri/ kWh (18.12.2020 N75)
  - g) Removed (17.12.2020 N75)
  - h) Removed (25.12.2017 N44) (Shall be valid from January 1, 2018 and its validity period shall be determined by January 1, 2021)
  - i) Removed (25.12.2017 N44)
  - j) Removed (25.12.2017 N44)
  - J) Removed (25.12.2017 N44)
  - k) (Removed – (13.03.18 N2) (Shall be valid upon its promulgation and will affect on the relationships arising from January 1, 2018)
  - l) (Removed – (23.08.12 N 12);
  - m) (Removed – (13.03.18 N2) (Shall be valid upon its promulgation and will affect on the relationships arising from January 1, 2018)
2. Long-term Marginal (upper margin) selling tariffs of the electricity generated by hydro power plants:
- a) KhramHesi-1 JSC:
    - a.a) Removed (31.10.2017 N30)
    - a.b) Removed (28.11.2019 N30)
    - a.c) From December 01, 2019 till (including) December 31, 2021 – 10.837 Tetri/ kWh; (28.11.2019 N30)
    - a.d) From January 1, 2022 till (including) December 31, 2025 – 2.300 Tetri/ kWh; (31.10.2017 N30)
  - b) KhramHesi-2 JSC:
    - b.a) Removed (31.10.2017 N31)
    - b.b) Removed (28.11.2019 N31)
    - b.c) From December 1, 2019 till (including) December 31, 2021 – 12.304 Tetri/ kWh; (28.11.2019 N31)
    - b.d) From January 1, 2022 till (including) December 31, 2024 – 3.767 Tetri/ kWh; (31.10.2017 N31)
    - b.e) From January 1, 2025 till (including) December 31, 2025 – 3.500 Tetri/kWh (31.10.2017 N31)
  - c) Removed (27.11.2015 №33)

## Article 2. Tariffs of Thermal Power Plants

- 1. Guaranteed capacity cost:
  - A) Mtkvari Energy Ltd (Tbilsresi Unit N9): From 2020 January 1 till/including 2020 December 31 - 69 649 GEL/day; (18.12.2020, N71)

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B) International Energy Corporation of Georgia, Ltd (Tbilsresi Units N3 and N4): From 2021 January 1 till/including 2021 December 31 – 45 229 GEL/day, including:

b.a) For the Unit N3 – 21 635 GEL/day;

b.b) For the Unit N4 – 23 594 GEL/day; (18.12.2020, N70)

C) G Power Ltd - From 2020 January 1 till/including 2020 December 31 - 40 585 GEL/Day (18.12.2020 N69)

D) Gardabani Thermal Power Plant LLC - From 2021 January 1 till/including 2021 December 31 - 423 289 GEL/DAY (18.12.2020, N72)

2. Tariff of electricity generation of guaranteed capacity source for each reporting month shall be determined with the following formula:

$$T_{\text{გვლ}} = \frac{(P + T_{\text{ტრანს}} + T_{\text{განაწილ}}) * V}{E * (1 - CRF)}$$

With has the following meaning:

$T_{\text{გვლ}}$  - The tariff of electricity generation of guaranteed capacity source (Tetri/ kWh)

P – Purchase cost of natural gas that is agreed with the Commission and is necessary for the generation of the electricity of guaranteed capacity source. (Tetri/m<sup>3</sup>)

$T_{\text{ტრანს}}$  - Tariff of transportation of natural gas which is determined in the statutory act of the Commission (Tetri/m<sup>3</sup>).

$T_{\text{განაწილ}}$  - Natural gas distribution tariff (Tetri/m<sup>3</sup>) that is determined in the statutory act of the Commission for the distribution licensee who has the possession of the distribution grid to which guaranteed capacity source is linked (in case of this existence).

V- Factual volume (m<sup>3</sup>) of natural gas that is purchased during each reporting month for the generation of electricity by the guaranteed capacity source.

E – Factual amount of electricity (kWh) that is supplied at the bus-bar (realized) during each reporting month by the guaranteed capacity source.

CRF – coefficient of regulation cost to be paid by the electricity generation licensee, that is determined in the statutory act of the Commission.

3. Removed (24.12.2019, N34)

4. The information about the tariffs, calculated according to the paragraph 2 of this article, shall be published on the official web-site of the Commission ([www.gnerc.org](http://www.gnerc.org)). The rules and conditions

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of such publication and the information to be presented for calculation are determined in 3, 4, 5 paragraphs of article 14<sup>1</sup> of “Methodology of tariff calculation of Guaranteed capacity cost, electricity generation of guaranteed capacity source, service of electricity market operator JSC and import of electricity” (Annex 3), that is established with N14 resolution, dated on 30 July, 2014, established by the Commission.

5. Within the terms determined by the Clause 3 of present Article and following the established rule, the JSC Electricity Market Operator shall provide for the compensation of payment for guaranteed capacity cost to the sources of guaranteed capacity, taking into consideration the periods of provision of guaranteed capacity by these sources but not later than:

- a) 275 days – for the Ltd Mtkvari Energy (Tbilsresi Unit N9) (18.12.2020 N71)
- b) 300 days – for the Ltd Georgian International Energy Corporation (Tbilsresi Unit N3); (18.12.2020, N70)
- c) 300 days – for the Ltd Georgian International Energy Corporation (Tbilsresi Unit N4); (18.12.2020, N70)
- d) 335 days – for the Ltd G Power. (18.12.2020 N69)
- e) 290 days – for the Gardabani Thermal Power Plant LLC (18.12.2020 N72)

### **Article 3. Electricity Generation Licensee Tariffs of the Plants Considered as Unified Electric Energy System Regulatory Plants of Georgia**

Selling fixed tariffs of the electricity generated by the power plants considered as regulatory plants are as follows:

- a) Engurhesi Ltd - 1,857 Tetri/kWh; (18.12.2020 N73)
- b) Cascade of Vardnili HPPs Ltd – 2,565 Tetri/kWh. (18.12.2020 N74)

## **Chapter II. Service Tariffs of the Electricity Transmission, Dispatch and Electricity System Commercial Operator**

### **Article 4. Electricity Transmission and Dispatch Tariffs**

1. Fixed Tariffs of the electricity transmission:

- a) JSC Georgian State Electrosystem:
  - a.a) Since January 1, 2021 till January 1, 2024 – 2.018 tetri/kwh (26.02.2021 N3)
  - a.b) Since January 1, 2024 till January 1, 2026 – 2.118 tetri/kwh (26.02.2021 N3)
- b) SakRusEnergo JSC:

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- b.a) Since January 1, 2021 till January 1, 2024 - 0.314 tetri/kwh (18.12.2020 N77)
  - b.b) Since January 1, 2024 till January 1, 2026 - 0.298 tetri/kwh (18.12.2020 N77)
  - c) Removed (26.02.2021 N3)
2. Fixed Tariffs of the electricity dispatch - JSC Georgian State Electrosystem a) Since January 1, 2021 till January 1, 2024 – 0,388 Tetri/kWh (18.12.2020 N78)
    - b) Since January 1, 2024 till January 1, 2026 – 0,436 Tetri/kWh (18.12.2020 N78)
  3. Removed (19.12.2017 N42)

### **Article 5. Service Tariffs of the Electricity System Commercial Operator**

1. Fixed service tariff of the Electricity System Commercial Operator and service tariff of the Electricity System Commercial Operator Ltd – 0.019 Tetri/ kWh.
2. Service cost of the Electricity System Commercial Operator Ltd shall be compensated in compliance with the Electricity (Capacity) Market Rules.

**Article 6. (Removed – (30.01.20 N 4);**

## **Chapter III. Electricity Wheeling and Distribution Tariffs**

### **Article 7. Wheeling Tariffs**

1. (Removed – (13.03.18 N2) (Shall be valid upon its promulgation and will affect on the relationships arising from January 1, 2018)
2. (Removed – (13.03.18 N2) (Shall be valid upon its promulgation and will affect on the relationships arising from January 1, 2018)
3. Tariffs of electricity transmission by distribution licensee with its own electricity distribution network shall be determined in the range of electricity distribution tariffs defined by the Resolution herein. 13.03.18 N2) (Shall be valid upon its promulgation and will affect on the relationships arising from January 1, 2018)

**Article 8. Distribution Tariffs of Telasi JSC (29.12.2020 N83)**

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a)	220/380 V:		
a.a)	Since January 1, 2021 till January 1, 2024	–	6.975 Tetri/kWh
a.b)	Since January 1, 2024 till January 1, 2026	–	6.184 Tetri/kWh
b)	3,3-6-10 kV:		
b.a)	Since January 1, 2021 till January 1, 2024	–	3.103 Tetri/kWh
b.b)	Since January 1, 2024 till January 1, 2026	–	2.961 Tetri/kWh
c)	35-110 kV:		
c.a)	Since January 1, 2021 till January 1, 2024	–	1.174 Tetri/kWh
c.b)	Since January 1, 2024 till January 1, 2026	–	0.544 Tetri/kWh

**Article 9. Removed (27.12.2017 N49)**

**Article 9<sup>1</sup>. Electricity Distribution Tariffs of Energo-pro Georgia, JSC (29.12.2020 N84)**

a)	220/380 V:		
a.a)	Since January 1, 2021 till January 1, 2024	–	11.543 Tetri/kWh
a.b)	Since January 1, 2024 till January 1, 2026	–	9.427 Tetri/kWh
b)	3,3-6-10 kV:		
b.a)	Since January 1, 2021 till January 1, 2024	–	4.977 Tetri/kWh
b.b)	Since January 1, 2024 till January 1, 2026	–	4.950 Tetri/kWh
c)	35-110 kV:		
c.a)	Since January 1, 2021 till January 1, 2024	–	2.763 Tetri/kWh
c.b)	Since January 1, 2024 till January 1, 2026	–	1.851 Tetri/kWh

**Chapter IV. Marginal Tariffs of Electricity Consumption**

**Article 10. Marginal Tariffs of Electricity Purchase for Telasi, JSC Consumers**

1. Fixed Marginal Tariffs of Electricity Purchase for Telasi, JSC Consumers According to voltages: (29.12.2020 N83)

a)	220/380 V (Non-household user):		
	Since January 1, 2021 till July 1, 2021	–	27.908 Tetri/kWh
b)	3,3-6-10 kV:		
	Since January 1, 2021 till July 1, 2021	–	25.124 Tetri/kWh

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c)	35-110 kV:		
	Since January 1, 2021 till July 1, 2021	–	23.195 Tetri/kWh

2. For the purpose of creating additional guarantees for social security of the population and furtherance of rational consumption of the electricity, consumption based fixed purchase tariffs (during 30 calendar days) of electricity for customers of Telasi JSC, who are Telasi JSC household users (population) at 220/380 V: (29.12.2020 N83)

ს)	Including 101 kWh:		
	Since January 1, 2021 till July 1, 2021	–	15.289 Tetri/kWh
ბ)	From 101 kWh to 301 kWh inclusive:		
	Since January 1, 2021 till July 1, 2021	–	18.689 Tetri/kWh
გ)	From 301 kWh and up:		
	Since January 1, 2021 till July 1, 2021	–	22.489 Tetri/kWh

**Article 11. Removed (27.12.2017 N49)**

**Article 11<sup>1</sup>. Marginal Tariffs of Electricity Purchase for the Consumers of Energo-pro Georgia, JSC**

1. Marginal tariffs of electricity purchase (by voltages), for the customers of Energo-pro Georgia, JSC are: (29.12.2020 N84)

a)	220/380 V (Non-household user):		
	Since January 1, 2021 till July 1, 2021	–	27.085 Tetri/kWh
b)	3,3-6-10 kV:		
	Since January 1, 2021 till July 1, 2021	–	26.169 Tetri/kWh
c)	35-110 kV:		
	Since January 1, 2021 till July 1, 2021	–	23.955 Tetri/kWh

2. For the purpose of creating additional guarantees for social security of the population and furtherance of rational consumption of the electricity, consumption based marginal purchase tariffs (during 30 calendar days) of electricity at 220/380 voltage in the Regions of Georgia (subscribers of Energo-pro Georgia, JSC) for the household customers (the population) are: (29.12.2020 N84)

a)	Including 101 kWh:		
	Since January 1, 2021 till July 1, 2021	–	15.026 Tetri/kWh
b)	From 101 kWh to 301 kWh inclusive:		
	Since January 1, 2021 till July 1, 2021	–	18.396 Tetri/kWh
c)	From 301 kWh and up:		

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Since January 1, 2021 till July 1, 2021	–	22.226 Tetri/kWh
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**Article 12. The Tariffs Established Based on the Quantity of Consumed Electricity**

The tariffs determined based on the consumed electricity are not “through rate”; each customer pays the electricity fee on total quantity of electricity, consumed during 30 calendar days, with the tariff established on corresponding quantity of consumed electricity.

**Article 13. The Tariffs of Electricity Consumed without Individual Meters by the Household Consumers (Population) that have the Meters of Common Use**

In compliance with the conditions established by the Commission, when billing with the meters of common use, in case of unavailability of individual meters, household customers (the population) pay the price of consumed electricity with the first step (including 101 kV) Tariff.



## Chapter V. Transitional and Conclusive Provisions

### **Article 14. Wholesale Marginal (Upper Margin) Tariffs of Electricity (Capacity) to be Purchased by the Distribution Licensees and Direct Consumers**

The wholesale marginal (upper margin) tariffs of the electricity (capacity) to be purchased by the distribution licensees and direct customers shall be composed based on the direct contract in compliance with the Electricity (Capacity) Market Rules.

### **Article 15. Billing of Value Added Tax (VAT) to the Tariffs of Electricity Given in the Resolution**

1. All the tariffs determined in this Resolution are calculated without VAT.
2. The VAT is billed in accordance with the active legislation of Georgia.

### **Article 16. Calculation and Accounting of the Revenues Received from Wheeling**

The distribution licensees shall maintain records of revenues received from the electricity wheeling separately and quarterly provide the Georgian National Energy and Water Regulatory Commission with the sufficient information.

### **Article 17. Tariffs Validity Period and Correction Terms**

1. The mechanisms of correction of the tariffs determined by the Paragraphs 2 and 3 of Georgian National Energy and Water Regulatory Commission Resolution N26 (on predetermined fixed tariffs to provide for the stable investment climate in the energy sector of Georgia for the long-term period), dated September 24, 2008 shall apply to the tariffs established by the Article 8 of this Resolution and they shall be valid till September 1, 2015.
2. In order to provide for the guaranteed service on return of funds spent from the credit allocated by Japanese Agency for International Cooperation for the rehabilitation of Khrami-2 JSC (as per contract signed between the Georgian Ministry of Finance and Khrami-2 JSC on December 10, 2008) to the state, long-term marginal tariff (upper margin) of electricity generation of Khrami-2 JSC shall be corrected annually. This correction shall take place if while correcting the difference of rate between GEL and Japanese Yen exceeds 7% per year in comparison with similar rate for the 2016 (2.1834 Lari = 100 Japanese Yen) and if the completed tariffs application is presented to the Commission according to the rules and form established by the Commission In

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addition, only the part of the tariff, which is considered for servicing the above-mentioned credit of the tariff, shall be corrected. (28.11.2019N31)

3. For the purpose of guaranteed return of investments made during the purchase of Khrami-1 JSC and Khrami-2 JSC, the long-term marginal tariffs (upper margin) of Khrami-1 JSC and Khrami-2 JSC electricity generation shall be corrected if the difference of GEL rate against USD rate exceeds 7% in comparison with the rate (2.6011 Lari = 1 USD) available for the period between November 1, 2016 till October 31, 2019 and if the completed tariffs application is presented to the Commission according to the rules and form established by the Commission Amendments to the tariffs, indicated in the Clause 2 of Article 1 of this resolution due to the change of GEL against USD shall be introduced four times: on November 1, 2013, on November 1, 2016, on November 1, 2019 and on November 1, 2022. (28.11.2019 N30)

4. The amendment shall be carried out with the full volume of change if any event indicated in Clauses 2 and 3 of Article 17 of this Resolution takes place.

### **Article 18. Standard Acts Cancelled because of the Activation of this Resolution**

1. Connected with enabling this Resolution, the following shall be announced as void:

- a) Georgian National Energy Regulatory Commission (GNERC) Resolution N18 On Electricity Tariffs (Georgian Newsletter III, 16.05.2006, N66, Article 848), dated May 15, 2006;
- b) Georgian National Energy Regulatory Commission (GNERC) Resolution N11 On the Tariffs of Electricity Wheeling (Georgian Newsletter III, 10.10.2004, N112, Article 997), dated July 6, 2007;
- c) Georgian National Energy Regulatory Commission (GNERC) Resolution N 15 On Determining Tariffs for the Individual Consumers of Electricity (Georgian Newsletter III, 15.08.2003, N88, Article 759), dated August 26, 2003;
- d) Georgian National Energy Regulatory Commission (GNERC) Resolution N34 On Service Tariff of Electricity System Commercial Operator Ltd (Georgian Newsletter III, 04.10.2006, N136, Article 1895), dated October 4, 2006;
- e) Georgian National Energy Regulatory Commission (GNERC) Resolution N19 On Determining Marginal Tariff (Upper Margin) of the Electricity Imported into Georgia, Based on the Import/Export Contract of July 14, 2008, Signed between the Electricity System

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Commercial Operator Ltd and Multiplex Energy Trading Ltd (Georgian Newsletter III, 03.09.2008, N129, Article 1301), dated August 29, 2008;

f) Georgian National Energy Regulatory Commission (GNERC) Resolution N30 On Determining Marginal Tariff (Upper Margin) of the Electricity Imported into Georgia, Based on the Contract of September 9, 2008, Signed between Telasi JSC and Multiplex Energy Trading Ltd (Georgian Newsletter III, 04.11.2008, N159, Article 1602), dated October 30, 2008;

g) Georgian National Energy Regulatory Commission (GNERC) Resolution N21 On Determining Marginal Tariff (Upper Margin) of the Electricity Imported into Georgia, Based on the Import/Export Contract of June 20, 2007, Signed by the Electricity System Commercial Operator Ltd and Energo-pro Georgia JSC with TGR ENERGY ELECTRICITY WHOLESALE TRADE CO (Georgian Newsletter III, 12.11.2007, N159, Article 1759), dated November 7, 2007;

**Article 19. Bringing the Resolution in Motion**

The Resolution herein comes into power in 15 days from being released.

**Chairman**

**G. Chalagashvili**