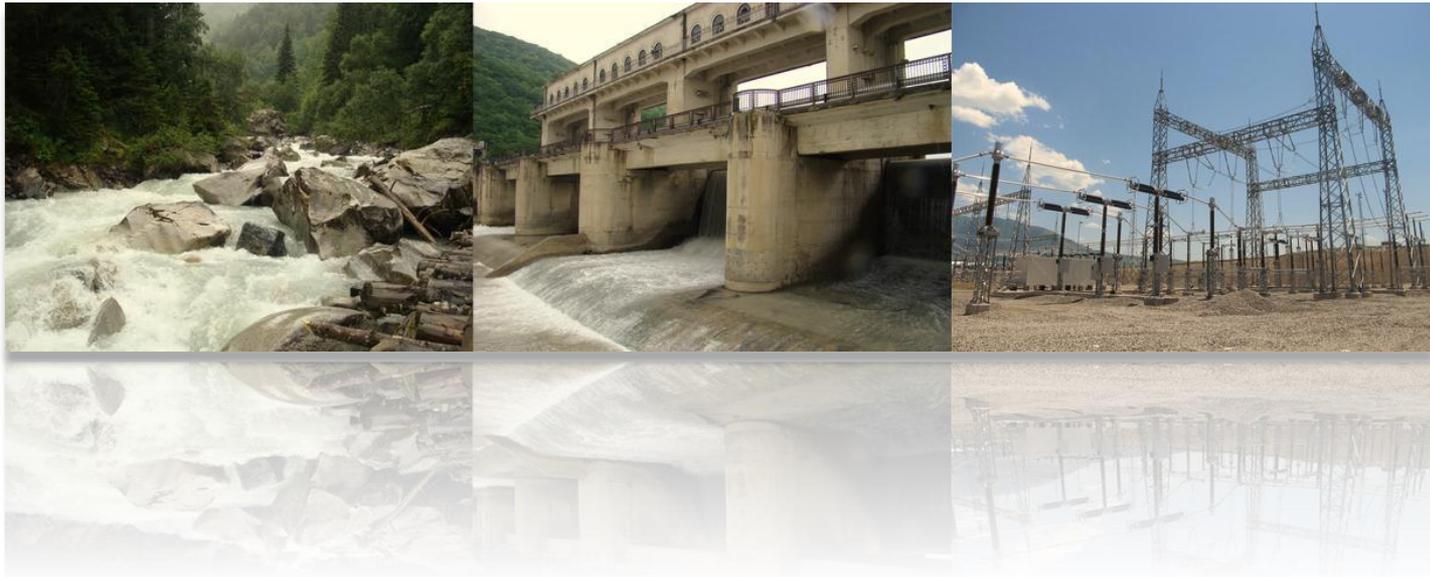




**USAID** | **GEORGIA**  
FROM THE AMERICAN PEOPLE

# **USAID** Hydro Power and Energy Planning Project (HPEP) **GEMM 2015 and the Electricity Trading Mechanism**





## **USAID HYDRO POWER AND ENERGY PLANING PROJECT (HPEP)**

### **Main Goals:**

- Accomplishment of tasks outlined in the GEMM 2015
- Financing of the new run-of-river HPP projects through non-recourse (project-based) loans
- Facilitate cross-border, competitive clean energy trading



## **USAID HYDRO POWER AND ENERGY PLANING PROJECT (HPEP)**

### **Main Obstacles:**

- Insufficient legal and regulatory framework in Georgia for a competitive electricity market
- Low capacity in the electricity sector institutions to plan and implement a competitive electricity market
- Lack of tools to operate a competitive electricity market



## **WHAT ARE GEMM 2015 AND THE ETM**

- Georgian Electricity Market Model (GEMM) 2015 and Electricity Trading Mechanism (ETM) were developed by USAID HIPP in 2011.
- GEMM 2015 will create an enabling environment for development of Georgian hydro resources and at the same time protect domestic tariff customers.
- The ETM is an hourly balancing and day ahead process that will enable electricity trading on the regional competitive power market.



## **GEMM 2015**

- GEMM 2015 will greatly enhance the regulatory support framework
- GEMM 2015 and the ETM are in line with EU competitive market principles, and will be harmonized with the Turkish power market



## **MAIN TASKS OF GEMM 2015 AND ETM IMPLEMENTATION ARE:**

- Design and planning of the ETM
- Capacity building
- Institutional development
- Regional Market analysis and legislative basis for Electricity Trading
- Development of Primary Legislative improvements



## **MAIN TASKS OF GEMM 2015 AND ETM IMPLEMENTATION ARE:**

- Development of Electricity Market Regulations
- Licensing and tariffs development for the electricity market
- Development of guarantee of origin and PSO procedures
- Contractual framework development (domestic and cross border)
- Cross border harmonization of legislation/regulations



**USAID** | **GEORGIA**  
FROM THE AMERICAN PEOPLE

Contact:

Sukru Bogut, Senior Energy Advisor, USAID

[sbogut@usaid.gov](mailto:sbogut@usaid.gov)

Michael Jake Delphia, Chief of Party, HPEP

[jdelfhia@deloitte.com](mailto:jdelfhia@deloitte.com)

Giorgi Chikovani, Deputy Chief of Party, HPEP

[gchikovani@dcop-hpep.ge](mailto:gchikovani@dcop-hpep.ge)