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**REPORT ON ORGANIZATION, STAFFING,  
OPERATIONS, AND PROCEDURES OF THE GEORGIA  
NATIONAL ENERGY REGULATORY COMMISSION**

**Georgia Power Sector Reform  
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*Final Report*

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## **REPORT ON ORGANIZATION, STAFFING, OPERATIONS, AND PROCEDURES OF THE GEORGIA NATIONAL ENERGY REGULATORY COMMISSION**

### **Introduction**

The Electricity Law of June 1997 established the Georgian National Electricity Regulatory Commission (GNERC) and charged it with regulatory responsibility for the country's electricity sector. The Georgian Law on Electricity and Natural Gas, approved by Parliament in April 1999, expanded the GNERC's jurisdiction to include regulation of natural gas supply, transportation, and distribution. The new law also officially changed the name of the Commission to the Georgian National Energy Regulatory Commission (still GNERC).

This report describes the basic organizational structure, financing mechanisms and operating procedures of the GNERC as established as of mid-year 1999. The addition of natural gas regulation has caused some modification of the Commission's structure and financing mechanisms and will cause still further changes in the near future. Such changes will likely include expansion of the annual budget and creation of an organizational unit specifically dedicated to the analysis of natural gas issues.

### **General Provisions of the Charter of the Georgian National Energy Regulatory Commission**

In Resolution No. 1, "On Approval of the Charter, the Regulations and the Internal Operational Rules" (6 Oct. 1997), GNERC adopted and approved a charter, which, as updated to reflect current conditions, generally provides as follows:

- The Commission is established as a permanent independent body with the status of a legal entity of public justice, and is not subordinated to any governmental body or organization.
- The legal bases for the Commission's activities are the Georgian Constitution, International Treaties, Georgian Laws, the present Charter of the Commission, and its Internal Operational Rules and Regulations.

- A member of the Commission shall discontinue membership in any political party. The creation of political units or any political organizations within the Commission is prohibited.
- The Commission has a seal with the emblem of Georgia and the Commission's title. It has an independent balance sheet and bank accounts, including one for foreign currency.
- The financial sources of the Commission are:
  - regulatory fees received from the regulated entities
  - revenues received from the other services provided by the Commission
  - loans from the Georgian treasury
  - funds received through technical assistance and/or grants from international donors
- The Commission within its competence establishes Rules and Regulations that are issued by Resolutions. The Commission, by resolution, approves its charter, structure, internal operational rules and procedures, rules for receipt and review of tariff and license applications, and rules and requirements for the granting, modification, discontinuation or cancellation of licenses.
- A meeting of the Commission is authorized if at least two members of the Commission are in attendance. Decisions and judgments of the Commission are made only in such meetings by majority vote. Decisions and judgment of the Commission are mandatory for licensees and consumers.
- For the proper discharge of its duties, the Commission has a staff.
- Each year the Commission shall make an annual report regarding its activities to the President, the Parliament, and the Ministry of Fuel and Energy. Copies of the report shall also be made available to the public.
- The Business address of the Commission is: 45 Khazbegi Avenue, Tbilisi, Georgia.

### **The Functions of the Commission**

Under Law on Electricity and Natural Gas and the Charter, the main functions of the Commission are to:

- Set and regulate wholesale and retail tariffs for electricity generation, transmission, dispatch, distribution, import, export and consumption, as well as for natural gas supply, transportation, distribution and consumption.
- Set the rules and requirements for granting, modifying, discontinuing and revoking electricity generation, transmission, dispatch, distribution, import, and export licenses, as well as natural gas supply, transportation, and distribution licenses.
- Establish conditions set out in licenses granted to entities within the electricity and natural gas sectors and apply the relevant administrative sanctions for violation of those conditions in keeping with existing Georgian legislation.
- Organize and coordinate mandatory facility certification within the electricity and gas sectors.
- Within its competence, resolve arguments between generation, transmission, dispatch, distribution, import, export, as well as natural gas supply, transportation, distribution licensees; and between licensees and consumers.
- Oversee the operation of the wholesale market and approve changes in the market rules of the Georgia Wholesale Electricity Market.
- If necessary, elaborate proposals in order to make changes in the legislation on electricity and natural gas.

## **Structure and Personnel**

### **Commission Members**

According to the “Georgian Law on Electricity and Natural Gas”, the Commission consists of three members who are appointed by the President of Georgia for 6-year terms. An individual may be appointed as a Commissioner if he or she is a citizen of Georgia, is at least 35 years old, has a university degree, and is qualified by training and experience to discharge the duties prescribed by the Law. The Chairman of the Commission is appointed by the President from among the members of the Commission.

Under transition provisions in the original Law on Electricity, the initial members of the Commission have been appointed as follows: one member for 6 years, one member for 4 years and one member for 2 years. The 1999 amendments to the Law did not add new commissioners

to the three already serving. A Commissioner who has served a full 6 year term or more than 3 years of a term may be re-appointed for one additional 6 year term. The Commissioner who served less than 3 years of a full term may be re-appointed for two additional 6-year terms. In case of the pre-term termination of a Commissioner's duties, the Chairman, after consultation with the other member, presents a qualified candidate for appointment to the President.

The Commission is a collegial body where all decisions are made by voting. Each member has one vote. A meeting of the Commission is official if at least two members of the Commission are in attendance. Decisions and judgments of the Commission are made majority vote and Commissioners do not have the right to abstain. If a Commissioner does not agree with a decision, his opinion is recorded in the minutes of the meeting.

### **Commission Departments**

**Licensing Department** - elaborates rules for preparing and granting licenses and supervises the implementation of the license provisions by the licensee. It develops and presents proposals to the Commission on the granting, modification, discontinuation or cancellation of licenses.

**Tariff Setting Department** - develops and submits for the Commission's approval tariff methodologies and tariff designs. In doing so it must take account of the need to provide consumers with reliable electricity and gas supplies at the lowest possible cost that will permit licensees with income which will allow them to operate productively.

**Technical Department** - elaborates the administrative standards for customer service as well as technical standards for electricity supply. It promotes actions that encourage energy conservation.

**Legal Department** - provides the Commissioners and the staff with legal support and conforms Commission decisions, rules and regulations to the requirements of existing legislation. It provides liaison with legislative bodies and may act as a mediator in disputes coming before the Commission.

**Council of Consumers** - assures the collection of information and elaborates procedures for handling consumer complaints. It also oversees implementation of service quality standards.

**Public Relations Department** - makes information on Commission decisions, rules and regulations available to the public and cooperates with the news media. The department is also responsible for relations with government executive and legislative authorities

**Administrative Department** – supports the operation of the structural departments of the Commission and provides them with material-technical supplies. It supervises the

implementation of assignments set by the Chairman, Commissioners and Executive Director and elaborates administrative procedures and rules.

**Accounting Department** – prepares the Commission’s budget, maintains its accounts, administers its salary policies, and manages its financials resources.

**Staff of the Commission**

For the proper discharge of the its duties the Commission has a staff which is supervised by an Executive Director. The Chairman, in consultation with other Commissioners, appoints the Executive Director and the heads of departments. All employees of the Commission are hired on a contractual basis. The following table shows the number of existing positions by category, the associated salary levels and the total annual salary requirements. Due to the financial situation of the Commission, staffing has yet to be completed.

**Existing Staff and Salary Levels of the  
Georgian National Energy Regulatory Commission\***

Position Title	Georgian Lari		
	Number as of 6/30/99	Monthly Salary	Annual Salary Expense
Chairman	1	950	11 400
Commissioners	2	850	20 400
<b>Total Commissioners</b>	<b>3</b>		<b>31 800</b>
<b>Staff</b>			
Executive Director	1	450	5 400
Head of Department	2	250	6 000
Acting Head of Department	2	210	5 040
Chief Specialist	8	Average 180	17 280
Leading Specialist	3	Average 140	5 040
Accountant	1	160	1 920
Supporting Staff	13	Average 100	15 600
<b>TOTAL STAFF</b>	<b>30</b>		<b>56 280</b>
<b>TOTAL COMMISSION</b>	<b>33</b>		<b>88 080</b>

\*As of June 30, 1999, 33 employees including the 3 Commissioners worked at the GNERC. In this total were 8 temporary staff members funded by the World Bank including 4 energy specialists, 2 economists, 1 lawyer and 1 computer specialist. The ultimate complement of staff has yet to be determined. However, before natural gas regulation was added to its responsibilities, the Commission envisaged force of 50 people.

**Financing of the Commission**

The Commission's Charter, updated to account for the Commission's newly-authorized jurisdiction over natural gas licensees, provides as follows:

- On the basis of load forecasts for the following year received from licensees by each September 15, the Commission shall establish a regulatory fee to be paid by electricity generation,

transmission, dispatch, export, import and distribution licensees, as well as natural gas transportation, supply and distribution licensees, at a level sufficient to cover the budgeted expenses of the Commission for the next year.

- Regulatory fees shall be deposited in a separate account for the use of the Commission that shall have sole access to the funds. Any funds in the Commission account not used in one year shall be carried forward to the next year, and the next year's regulatory fees reduced accordingly.
- The Commission shall be entitled to borrow from the State Treasury to meet capital or operating expenses that cannot be met from current regulatory fees. The Commission shall repay the loans, with interest at the appropriate government borrowing rate, from future regulatory fees. The State Treasury may also allocate funds, including grants, for the Commission's use.
- The Commission, within its competency, sets the prices for other conducted services, which are also indicated in the Commission's budget.
- The regulatory fee and the costs of other services provided by the Commission are included in the prime cost of the electricity, natural gas and associated services.
- The assets of the Commission consists of its owned fixed property and equipment and working funds which shall be recorded on the Commission's independent balance sheet.
- The Commission by 31<sup>st</sup> of March of each year prepares and publishes the financial report for the previous year.

### **Commission Budget**

The Commission shall, by October 1 of each year, approve its detailed budget for the following year, which shall indicate all the expenses of the Commission, including the salaries and benefits of the members and employees of the Commission. The budget shall be available to the public.

The Commission need not set interim regulatory fees on the basis of load forecasts, and may set interim regulatory fees for any period and calculated on any basis that the Commission reasonably determines is likely to cover its budgeted expenses for its next budget period.

GNERC's 1999 budget, which does not include natural gas regulation, is as follows.

**GNERC Budget for 1999**  
**(ELECTRICITY REGULATION ONLY)\***

#	Description	1998 Actual	1999 Budget
1.	Balance at January 1	220	42 139
2.	<b>Total revenue</b> Including:	310515	811 063
2.1.	Regulatory fee	226849	711 063
2.2.	Budget and donor financing	10216	-
2.3.	Credit	56750	-
2.4.	Other Revenue	16700	100 000
3.	<b>Total Expense</b> Including:	268596	766 100
3.1	Salaries	75 551	250 000
3.2	Taxes on Salaries	22 088	77 500
3.3.	Operational and utility expenses	10618	40 000
3.4.	Purchase of tangible assets	7568	85 000
3.5.	Office rental	5000	10 000
3.6.	Vehicle maintenance	7701	20 000
3.7.	Travel expenses	15142	70 000
3.8.	Communication expenses	6711	20 000
3.9.	Credit percent	2838	5 400
3.10.	Credit recovery	56750	-
3.11.	Security expenses	1800	20 000
3.12.	Representative expenses	1615	12 000
3.13.	Other expenses	4829	80 000
3.14.	Office maintenance, including	49787	76 200
3.141.	Materials	26595	41 000
4.	<b>Balance</b>	42139	87 102

## **GNERC Operating Procedures**

### **Public Meetings of the Commission**

Meetings of the Commission are held on the third Wednesday of every month and are conducted by the Chairman of the Commission or, at his instruction, the Executive Director.

Meetings are attended by:

- Chairman of the Commission and Commissioners
- Executive Director and Heads of Departments
- Responsible members of the Commission staff (taking into account issues on the agenda)
- Managers and responsible persons of the enterprises subject to the Commission jurisdiction and affected consumers or their authorized representatives (taking into account issues on the agenda)
- Representatives of mass media and other interested persons

### **Preparing and Conducting Meetings**

The Administrative Department prepares the sessions and registers invited entities and persons. The department also, together with other departments, drafts the agenda of the session and submits it to the Executive Director. The agenda as well as attached documents are subject to the Chairman's approval.

The agenda of the session, together with attached documents must be submitted to the Chairman of the Commission, members of the Commission, Executive Director, Heads of Departments and interested persons at least three days before the session is scheduled.

Additional issues may be included in the agenda after approval by the Chairman and the members of the Commission.

The Commission does not consider an issue if a previous decision or resolution on the same issue has yet to be implemented. Any new decision or resolution on such an issue is made only in case of extraordinary circumstances.

To present an issue on the agenda, the presenter is allotted up to 15 minutes, discussion participants up to 5 minutes, and a participant requesting information, up to 3 minutes.

Minutes of the Commission sessions are registered and prepared for signing by the administrative and legal departments with the help of heads of relevant departments by the end of day following the meeting.

Drafts adopted without comments are registered by the administrative department on the same or next day. The heads of the relevant departments and the initiators of comments and proposals must ensure that they are reflected in the draft. The final drafts must be approved by the relevant heads of department and the Heads of the Legal and Administrative Departments before submission to the Commissioners for signature.

### **Preparation of Issues to be Considered at Commission Meetings**

Issues related to licensing, tariff setting, resolution of disputes and cases related to the violation of the legislation, as well as other issues within the competency of the Commission are considered at the monthly meetings.

The departments of the Commission submit their items to be considered at the next quarter's monthly sessions to the Executive Director. Submission must be made two weeks before the quarter begins. The Administrative Department, based on the proposals submitted, elaborates quarterly and annual lists of proposals to be discussed at the sessions, specifies the terms of their consideration and submits the lists to the Chairman for approval. The Administrative Department supervises monthly scheduling of items on the list. Only by a decision of the Commission can changes be made in the list of issues to be considered at a session.

The issues are presented at the session by the Executive Director and/or by the head of a department. Issues must be presented to the session in the form of a draft of the Decision or Resolution of the Commission together with an explanatory letter proving the necessity of its consideration. The explanatory letter must be signed, and the draft decision or resolution must be approved by the head of the department who presented the issue for consideration. Each signature must be dated. The Executive Director and the heads of departments are personally responsible for the quality, reliability and completeness of the drafts presented to the session.

The documents relating to issues to be considered at a monthly meeting must be submitted to the Administrative Department one week before the session is scheduled.

### **Internal Staff Working Meetings of the Commission**

Internal working meetings are conducted on the first Monday of every month under the direction of the Executive Director. The heads of departments and their staff members charged with subjects to be discussed in these meetings participate at the invitation of the Administration Department. The Executive Director summarizes the results of the previous month's meeting and information on the progress of task accomplishment is presented by the administrative department.

All arrangements for the meetings are made by the administrative staff with the sessions scheduled to last no more than 50-60 minutes.

Minutes of the meeting are registered at the same date and submitted to the Executive Director for signing. Copies of the minutes and the list of the tasks to be performed are provided to all participants.

Decisions regarding the release of information to the mass media about a meeting are made by the Department of Public Relations with the consent of the meeting chairman.

Minutes of the meeting are registered and circulated according to internal operational rules. The Administrative Department oversees execution of the action items agreed in the minutes.

### **Conclusion**

The Commission appears to be well-equipped from an organizational standpoint to assume and discharge the duties assigned to it by Parliament.

### **Attachment**

GNERC Resolution No. 1, "On Approval of the Charter, the Regulations, and the Internal Operational Rules" (6 Oct. 1997)

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**ATTACHMENT**

**GNERC RESOLUTION No. 1**

**“ON APPROVAL OF THE CHARTER, THE REGULATIONS, AND THE  
INTERNAL OPERATIONAL RULES” (6 OCT. 1997)**

# Georgian National Electricity Regulatory Commission

## Resolution # 1

October 6, 1997  
Tbilisi

### On Approval of the Charter, the Regulation and the Internal Operational Rules

According the Georgian Electricity Law, Article 4 clause 3 and article 5 clause 1, the Georgian National Electricity Regulatory Commission approves:

1. The Charter of the Georgian Electricity Regulatory Commission.
2. The Internal Operational Rules of the Georgian Electricity Regulatory Commission.
3. The Regulation of the Georgian National Electricity Regulatory Commission.

The Chairman

E. Eristavi [Signed]

**The Charter  
of the Georgian National Electricity Regulatory  
Commission**

**Georgian National Electricity Regulatory Commission**

October 6, 1997

TBILISI  
1997

# **The Charter**

## **of the Georgian National Electricity Regulatory Commission**

### **1. General Provisions**

- 1.1 According to the Georgian Electricity Law, the Georgian Electricity Regulatory National Commission (Commission) is established. The Commission is established as a permanent independent body with the status of a legal entity of public justice, and is not subordinated to any governmental body or organization.
- 1.2 The Legal base for Commission's activities is the Georgian Constitution, International Treaties, Georgian Laws, the present Charter of the Commission, and its Internal Operational Rules and Regulations.
- 1.3 A member of the Commission shall discontinue membership in any party. The creation of political units or any organizations within the Commission is prohibited.
- 1.4 The Commission has a Seal with the emblem of Georgia and the Commission's title. It has an independent balance sheet and bank account, including foreign currency.
- 1.5 The Financial Sources of the Commission are: License Fees received from the regulated entities; revenues received from the other services which are provided by the Commission according to its functions; Loans, also funds received through the technical assistance and/or grants; and other revenues permitted by the legislation.
- 1.6 The Commission within its competence issues Rules and Regulations. The Rules and Regulations of the Commission are issued by Resolutions; The Commission by resolution approves the Charter and structure, internal operational rules and procedures, rules for receipt and review of Licensing and tariff applications, rules and requirements for granting, modification, discontinuation or cancellation of the Licenses. The resolution of the Commission also may be made in cases set by legislation.
- 1.7 On each particular issue, the Commission within its competency makes decisions.
- 1.8 Judgments and decisions of the Commission are made in meetings of the Commission by the majority of votes. The meeting of the Commission is authorized if at least two members of the Commission attend the meeting. Judgments and decisions of the Commission are mandatory for licensees and consumers.
- 1.9 For the proper discharge of the Commission's duties the Commission has a staff.
- 1.10 Each year the Commission shall make an annual report regarding its activities to the President, the Parliament, and the Ministry.
- 1.11 The Business address of the Commission is:

## **2. Objectives of the Commission**

The main objectives of the Commission are:

- 2.1 To promote competition within the electricity sector;
- 2.2 To regulate the natural monopolies within the sector;
- 2.3 To balance the interests of the electricity sector entities and consumers;
- 2.4 To set and regulate wholesale and retail tariffs for Generation, Transmission and Dispatch, Distribution and consumption;
- 2.5 To License the operations related to the electricity sector;
- 2.6 To discuss, solve and regulate disputes between the entities of the electricity sector, as well as between electricity sector entities and consumers.
- 2.7 To regulate export/import activities;
- 2.8 If necessary, to elaborate proposals in order to make changes in the legislation on electricity.

## **3. The Functions of the Commission**

The main functions of the Commission are:

- 3.1 To regulate the sector, determined by the "Electricity Law", and for this purpose to elaborate and implement the relevant legal regulations.
- 3.2 To set and regulate wholesale and retail tariffs for Generation, Transmission and Dispatch, Distribution and consumption.
- 3.3 To consider cases of violation of the legislation on electricity and, within its competency, to make relevant decisions.
- 3.4 To determine the rules for licensing and to organize the licensing process.
- 3.5 To promote competition within the sector.
- 3.6 To balance the interests of the electricity sector entities and consumers.
- 3.7 To discuss, solve and regulate disputes between the entities of the electricity sector, as well as between of the electricity sector entities and consumers.
- 3.8 To elaborate, together with interested Ministries and agencies, the rules on serving consumers.
- 3.9 To regulate export/import activities.
- 3.10 To cooperate with the Georgian Legislative and Executive Authorities, as well as with International organizations, in order to develop the legal base of the electricity sector.
- 3.11 To provide, through the mass media, transparency in the Commission's activities.
- 3.12 According to the existing legislation, within its competency, to hire staff and to provide it with relevant training.
- 3.13 To participate in elaboration of the Energy Policy and to promote its implementation.

#### **4. Rights and Responsibilities of the Commission**

The Commission is authorized:

- 4.1 To request all documents and information, necessary for proper fulfillment of Commission's duties, from any Governmental or other organization, agency, state or private enterprise, individual or any authorized persons.
- 4.2 Within its competency, according to the interests of the sector, to make decisions, issue resolutions, directions, methodologies and other rules and regulations, which are mandatory for the Ministries of Georgia, Ministries and Agencies of Abkhazia and Adjara, for regional Governmental bodies, for Enterprises and Organizations despite their organizational or legal forms, and for individuals.
- 4.3 To set and regulate wholesale and retail tariffs for Generation, Transmission and Dispatch, Distribution and consumption.
- 4.4 To require from the regulated structures all available information and documentation necessary for tariff setting.
- 4.5 The Commission is authorized to grant or refuse Licenses for the:
  - Generation of electricity by all energy sources and facilities (except those cases, when the electricity is generated for own consumption and/or export and the electricity facilities are not connected to the transmission or distribution grids, or sale of electricity is conducted under competitive market conditions, as determined by the Commission).
  - Use of Transmission grid.
  - Wholesale or Retail sale of electricity and dispatch.
  - Use of distribution network.
  - Supply of consumers by Direct Contracts.
- 4.5.1 To require that no enterprise, despite its organizational-legal form and ownership, may engage in electricity generation, transmission, dispatch, or distribution activities without a relevant License issued by the Commission.
- 4.5.2 To grant the right to Sakenergo (or its successor) to construct a new transmission line, after the relevant arguments on its necessity were received from Sakenergo.
- 4.5.3 To grant the right to existing generating enterprises for construction of new generating facilities.
- 4.5.4 To suspend or discontinue the license terms in case of violation of the legislation on electricity or conditions of licensing.
- 4.6 To discuss, solve and regulate disputes between the entities of the electricity sector, as well as between electricity sector entities and consumers.

- 4.7 To elaborate and implement the mechanisms of management and regulation of export/import activities.
- 4.8 To create mechanisms for promotion of competition within electricity sector.
- 4.9 To set conditions for qualified and reliable service to consumers.
- 4.10 To establish cut-off policies for consumers in case of an electricity deficit, which the Dispatch and Distribution enterprises will be charged with implementing.
- 4.11 To set the market rules, in order to determine organizational and operational mechanisms, which shall govern and regulate proper operation Generation, Transmission, Dispatch and Distribution enterprises.
- 4.12 To review and make relevant decisions, within its competency, on the applications submitted to the Commission by legal persons and/or individuals.
- 4.13 To provide, within its competency, official explanations of the legislation related to the electricity sector
- 4.14 To provide its specialists with training abroad, in order to gain experience, according to the existing rules
- 4.15 To implement other activities determined by the legislation.
- 4.16 To assure that the sessions of the Commission shall be public. Commission's decisions and resolutions, orders and records shall be transparent.
- 4.17 Commission is responsible for fulfilling of its duties.
- 4.18 To establish, in order to fulfill its duties, a scientific-consultative council, permanent and temporary operational groups, and involve regulated entities in the activities of such groups as well as outside specialists, including foreign experts.
- 4.19 To develop, according to the existing rules, connections with relevant commissions abroad, as well as with International Organizations, legal persons and individuals.
- 4.20 To provide the development and expansion of material-technical resource and to financially encourage and provide the social security of the staff.
- 4.21 To act as appellant or defendant in the Court.

## **5. Management of the Commission**

- 5.1 The Commission consists of three persons, which are appointed by the President of Georgia for 6 years term.

The Chairman of the Commission shall be appointed by the President from among the members of the Commission.

In case of the pre-term termination of a Commissioner's duties, the Chairman, after consultation with the other member, shall present a candidate who is authorized for appointment to the President.

5.2 The initial members of the Commission shall be appointed as follows: first member for 6 years, second member for 4 years and third member for 2 years.

5.3 The Commissioner who has served a full 6 year term or more than 3 years of a term may be re-appointed for one additional 6 year term.

The Commissioner who served less than 3 years of a full term may be re-appointed for two additional 6 year terms.

5.4 The Commission is a collegial body, where all the decisions shall be made by voting.

5.5 Each member shall have one vote in Commission decisions.

5.6 The meeting of the Commission is authorized if at least two members of the Commission attend the meeting.

5.7 Judgments and decisions of the Commission are made in the meetings of the Commission by the majority of votes. The members of the Commission do not have right to abstain. If one of the members does not agree with the decision, his opinion shall be recorded in the protocol of the meeting.

5.8 For the proper discharge of the Commission's duties the Commission has a staff, which is supervised by an Executive Director.

5.9 The Chairman, in consultation with other Commissioners, appoints the Executive Director.

5.10 The Chairman, in consultation with other Commissioners, appoints or dismisses the heads of departments and staff.

5.11 The Commission is responsible for implementation of all duties and obligations. The Commission determines the personal responsibilities of the heads of Departments.

5.12 The Chairman of the Commission, within his authority and in accordance with set rules, issues orders, directions.

5.13 The Chairman is authorized to spend centralized and special funds in accordance with the existing legislation.

## 6. The Functions of the Commission Structural Divisions

- 6.1 **Licensing Department** - elaborates rules for preparing and granting of Licenses for Generation, Transmission, Dispatch and Distribution. Supervises the implementation of the license provisions by licensees. Elaborates and presents the proposals to the Commission on granting, modification, discontinuation or cancellation of the Licenses.
- 6.2 **Tariff Setting Department** - elaborates and submits for the Commission's approval the Methodology on Tariff Estimation. Conducts all kinds of tariff estimation, considering that the consumers shall be supplied with good quality electricity for the possible minimum price, at the same time, the licensees shall be provided with the level of income, which will allow them to operate productively.
- 6.3 **Technical Department** - elaborates the administrative standards for servicing of the consumers, as well as technical standards for electricity supply. Encourages the electricity saving programs, as well as encourages the reliability and effectiveness of electricity supply.
- 6.4 **Legal Department** - provides the Commissioners and the staff with legal consultation. Adjusts Commissions decisions, rules and regulations to the existing legislation. Provides Commission with independence, confidentiality and transparency. Promotes relations with legislative bodies, and may act as a mediator in arguments between different organization.
- 6.5 **Council of Consumers** - assures collection of information on operation data. Elaborates procedures for considering complaints. Also assures implementation of the quality standards.
- 6.6 **Department on Public Relations** - makes the decisions, rules and regulations available to the public. Cooperates with mass media. Establishes relations with executive and legislative authorities
- 6.7 **Administrative Department** - provides operation of the structural divisions, as well as with material-technical supply. Supervises the implementation of the tasks set by the Chairman, other Commissioners and Executive Director. Elaborates administrative procedures and rules.
- 6.8 **Accounting Department** - creates the budget of the Commission. Sets the salaries for the Commissioners and the staff. Also conducts fiscal activities of the Commission.

## 7. Commission's and Staff's Budget

- 7.1 On the basis of load forecasts for the following year received from the Licensees by September 15, the Commission shall establish a License Fee applicable to electricity Generation, Transmission, Dispatch and Distribution Licensees at a

level sufficient to cover the budgeted expenses of the Commission for the next year.

7.2 The Commission shall, by October 1 of each year, prepare its detailed budget for the following year, the salaries and benefits of the members and employees of the Commission. The budget shall be available to the public.

7.3 The Commission need not set Interim License Fees on the basis of load forecasts, and may set Interim License Fees for any period and calculated on any basis that the Commission reasonably determines is likely to cover its budgeted expenses for its next budget period.

7.4 License Fees shall be deposited in an account for the use of the Commission, which shall have sole access to the funds. Any funds in the Commission account not used in one year shall be carried forward to the next year, and the next year's License Fees reduced accordingly. The Commission shall be entitled to borrow from the State Treasury to meet capital or operating expenses that cannot be met from current License Fees; the Commission shall repay the loans, with interest at the appropriate government borrowing rate, from future License Fees. The State Treasury may also deposit grants for Commission's use that are not subject to repayment by the Commission.

7.5 The Commission, within its competency, sets the prices for other conducted services, which are also indicated in the Commission's budget.

7.6 The license fee and the cost of other services, provided by the Commission, is included in the prime cost of the electricity and conducted services.

7.7 The property of the Commission consists of its owned fixed and circulating capital and fiscal resources which shall be indicated in Commission's independent balance sheet.

7.8 The Commission by 31<sup>st</sup> of March of each year prepares and publishes the financial report for the previous year.

## **8. Modification of the Charter and Reorganization**

8.1 Changes and insertions in the Charter shall be made only by Commission's decision.

8.2 The reorganization or termination of the Commission shall be in accordance with existing legislation.

# **The Regulation of the Georgian National Electricity Regulatory Commission**

## **1. General Provisions**

- 1.1 The Regulation of the Commission sets the procedures for preparation of the issues to be discussed at the sessions and meetings, determines the rules for preparation and for conducting the meetings, for drafting the resolutions and decisions.
- 1.2 The Commission operates in accordance with its functions set by the law.
- 1.3 The Regulation, The Charter and The Internal Operational Rules shall be approved by the Resolution of the Commission.

## **2. Preparation of the Issues to be Discussed at the Sessions**

- 2.1 At the sessions the Commission considers issues, which were preliminarily approved.  
The structural sub-divisions of the Commission submit their proposals, for consideration at the session, to the Executive Director. Submission shall be made two weeks before the next quarter begins, and it shall also include terms of consideration.
- 2.2 The Administrative Department, according to the submitted proposals, elaborates the quarterly and annual lists of proposals to be discussed at the sessions, specifies the terms of their consideration and for approval submits the lists to the Chairman.
- 2.3 The Administrative Department supervises the implementation of the list and by the beginning of each year submits to the Chairman information on their implementation.  
Only by the decision of the Commission can changes be made in the list of issues to be considered at the session.
- 2.4 At the session shall be considered issues related to Licensing, tariff setting, resolution of disputes and cases related to the violation of the legislation, as well as other issues being in the competency of the Commission.
- 2.5 The issues shall be presented at the session by the Executive Director and/or by the heads of the Departments.
- 2.6 The issues shall be presented to the session as a draft of the Decision or Resolution of the Commission, together with the explanatory letter proving the necessity of its consideration.

The Executive Director and the Heads of the Departments are personally responsible for the quality of the drafts presented to the session, their reliability and completeness.

The explanatory letter shall be signed, and the drafts of the decisions and resolutions shall be approved by the heads of the Departments who presented the issues for consideration. Each signature shall be dated.

- 2.7 The issues which concern the interests or competency of the electricity sector's units shall be preliminary agreed with them.
- 2.8 The documents which are subjects for consideration at the sessions shall be submitted to the Administrative Department one week before the session is scheduled.

### **3. Preparation and Conducting Sessions**

- 3.1 The Administrative Department prepares the sessions and registers the invited persons. The Department also, together with other departments, drafts the agendas of the sessions and submits it to the Executive Director. The agenda of the session, as well as attached documents are subject to the Chairman's approval.
- 3.2 The agenda of the session, together with attached documents shall be submitted to the Chairman of the Commission, members of the Commission, Executive Director, Heads of the Departments and interested persons, three days before the session is scheduled.
- 3.3 Additional issues may be included in the agenda after approval of the Chairman and the members of the Commission.
- 3.4 The Commission does not consider an issue if a previous decision or resolution on the same issue has not been implemented. Any new decision or resolution on one and the same issue is made only in the case of emergency.
- 3.5 The Session of the Commission is conducted by the Chairmen of the Commission or, at his instruction, the Executive Director. Sessions will be held on the third Wednesday of every month, if another day is not determined by the Chairmen of the Commission.
- 3.6 Sessions of the Commission are attended by:
  - a) Chairman of the Commission and Commissioners,
  - b) Executive Director and Heads of Departments,
  - c) Responsible members of the Commission staff (taking into account issues on the agenda),

- d) Managers and responsible persons of the bodies, subjected to the Commission regulation, consumers or their authorized representatives (taking into account issues on the agenda),
- e) Representatives of mass media, other interested persons.

- 3.7 To discuss the issue or the agenda, a speaker is allotted time up to 15 minutes, discussion participants - up to 5 minutes, for information - up to 3 minutes.
- 3.8 Protocols of the Commission sessions are registered and prepared for signing by the administrative and legal departments with the help of heads of relevant sub-divisions on the same or next day.
- 3.9 Drafts adopted without comments are registered by the administrative department on the same or next day. The Heads of the relevant Departments and the initiators of the comments and proposals shall ensure their reflection in the draft. The final drafts shall be approved by the relevant Heads of the Departments, the Heads of the Legal and Administrative Departments and then submitted for signature.
- 3.10 The decisions of the Commission shall be delivered to the executors in the order established by the Executive Director.

#### **4.Preparation and Conducting the Meetings**

- 4.1 Meetings are conducted by the Chairman of the Commission, Commissioners and Executive Director with the help of Heads of Departments.

Inviting the heads of structural sub-divisions and making arrangements for the meetings is the assignment of administrative staff.

- 4.2 Decisions on providing mass media with the meeting information and size of information are made by the department of public relations with the consent of conductor of meeting.
- 4.3 Protocol of the meeting is registered and distributed according to the internal operational rules.
- 4.4 The Administrative Department oversees the implementation of the tasks of the protocol
- 4.5 Duration of a meeting is scheduled by 50-60 minutes.
- 4.6 Meetings are conducted on first Monday of every month under the direction of the Executive Director.
- 4.7 The Executive Director summarizes the results of the last month at the meeting. Other participants present information at the meeting as well.

Information on the progress of task accomplishment is presented by the administrative department. Protocol of the Meeting is registered at the same date and submitted for signing. Protocol of the meeting and the list of the tasks is provided to all participants at the meeting and to the assigned persons.

## **5. Implementation of Commission's Regulating Authorities**

5.1 Commission regulates its resolutions and decisions by the means of structural subdivisions.

Commission takes measures to allow regulated bodies to fully exercise their rights in order to accomplish tasks assigned to them.

5.2 Rules for implementation of legal regulations and tasks of the Commission are determined by internal operational rules.

**STRUCTURE**  
**of**  
**The Georgian Electricity Regulatory National Commission**

Licensing Department

Price Formation Department

Technical Department

Juridical Department

Customers Council

Department of Social Relations

Administrative Department

Accounts Department

# **The Internal Operational Rules**

of the Georgian National Electricity Regulatory Commission

## **1. Introduction**

- 1.1 The Internal Operational Rules of the Georgian Electricity Regulatory National Commission (later referred to as Commission) determine the organization structure of the internal operational system and the rules of dealing with documents and citizens' letters at different structural departments of the Commission.
- 1.2 The rules of working on confidential documents at the structural departments of the Commission are specified in the special instructions.
- 1.3 The Internal Operational Rules determined by the document are mandatory for the employees of every structural department of the Commission.
- 1.4 The drafts of the Commission resolutions, decisions, the Commission Chairman's orders etc., and other documents are confidential in the process of work.

The employees of the structural departments of the Commission are responsible to take care of the documents and observe confidentiality of the information.

In case if a document is lost, an employee shall inform the Head of the department and the Administrative Department. In such cases an internal investigation shall be carried out.

A document or its copy can be given to another organization only with the permission of the Head of the department.

The documents received by the Commission shall be kept and worked on only within the building.

Information can be given to the mass-media only by the Executive Director and the Heads of departments with the permission or order of the Commission Chairman.

During a leave, business trip or illness the employee shall hand over the documents entrusted to him (her) to another employee in accordance with the order of the Head of the department. If an employee is quitting his job, the documents must be handed over to the Head of the department.

- 1.5 The Heads of departments are responsible for the observation of rules in their corresponding departments. In every department the Internal Operational Rules are administered by a specially assigned employee, who shall:

- register every received or checked out document;
- give the document to the Head of the department or the employee;
- supervise the working process and inform the Head of the department on the progress;
- deliver the ready documents to the Administrative Department to send them further as required;
- prepare documents for the archive;
- work out a list of issues under work at the department;
- advise the employees on the Internal Operational Rules of the Commission.

Other responsibilities of the specially assigned employ are determined by the Charter, his duties and obligations - by the instructions and rules of duty distribution within the department.

1.6 The Administrative Department of the Commission is responsible for organizing the internal operational system, supervising the observation of the rules in the departments, methodical and technical service, employee training, computer processing of documents in close cooperation with the other departments.

1.7. The structural departments of the Commission shall cooperate in the process of elaborating documents. In order to come to the decisions that would be satisfactory from every point of view, the employee shall, in each particular case, inform he persons and structural departments that are concerned with the given subject.

## **2. Reception, Registration and Distribution of Correspondence**

2.1 The Commission receives correspondence from Tbilisi Post Office N 1.

2.2 The official correspondence and citizen's letters are registered by the Administrative Department of the Commission.

2.3 When the correspondence it received, it is necessary to check that the address is accurate, the package not damaged and the numbers indicated on the envelope and the document match. After that, the document shall be stamped in the upper right corner, indicating the registration number and reception date. The date shall be written in the following way: e.g.: 10.01.97 or January 10, 1997.

If any violations are revealed while checking the packages, a statement shall be drawn in three copies. One copy shall be attached to the document, one sent to the author and one kept at the department.

The packages sent to the wrong address shall be redirected to the addressee or returned to the sender.

The packages marked "Personal" shall be registered only indicating the data given on the envelope, without opening and directed to the addressee.

2.4 Documents shall be registered by the Administrative Department immediately on receiving.

The data on incoming and outgoing official correspondence shall be entered into the computer.

After registration, correspondence in foreign languages shall be immediately submitted for translation and then returned to the Administrative Department together with the translated version.

Correspondence shall be directed as required immediately on registration.

Correspondence that need not be registered is as follows: statistical data collections, books, newspapers, journals etc., other periodical publications, advertisements, invitation and congratulation cards.

Correspondence addressed to the Commission Chairman and the Commission shall be sent to the corresponding offices for processing and comments. The processed correspondence, together with the attached resolution draft containing proposals, approved by the Head of the department, shall be directed to the Administrative Department for further reporting to the Commission.

2.5 Correspondence addressed to the Commission Chairman and the Commission members shall be submitted to the Executive Director through the Administrative Department.

### **3. Registration and Transfer of Documents in the Structural Departments of the Commission**

3.1 The person responsible for the internal operational process shall take care of the registration and transfer of documents submitted to the Commission subdivision.

All the official documents and citizens' letters received by the subdivisions shall be recorded in a special register and registration cards until the implementation of the general computer system.

The document registration is centralized and the registration numbers are determined by Clause 2.2 of the "Internal Operation Rules". It is permitted to re-register documents and give them a new registration number. All the official documents and citizens' letters that have been handed over to the employees from different subdivisions without registration, shall be registered by all means in accordance with the above Clause.

3.2 The registered documents shall be submitted for review to the Head of the subdivision and further passed to the executor in accordance with the resolution. The resolution text, executors identity and the document transfer shall be recorded in the register (registration cards).

3.3 After the work on the documents is over, the executor shall make a short note concerning the results on the bottom margin of the first page or, if there is no space, on a separate sheet of paper. E.g.: "The reply ... was sent on ... date", "In the resolution (other documents) it was taken into consideration that ... " etc., and hand it over to the Head of the department.

The Head of the department shall mark the document as: "to be filed", approve it by signature and hand it over to the Executive Secretary of the Department who shall include the document into the file. The information on the elaboration of documents shall be transferred to the Administrative Department to be further entered into the computer.

The operations shall be carried out in accordance with the Commission Operational Regulations.

Cases shall be initiated at the beginning of the year. The pages of the elaborated documents shall be paginated. The number of the document and the page number shall be indicated in the register (registration card) or entered into the computer.

No less than 200 pages shall be included into one File.

The files shall be kept at the subdivision for at least 2 years before being transferred to the archive.

3.4 When a subdivision is closed, its files shall be transferred to the archive or the subdivision which is assigned to continue the work on the given issues.

3.5 It is permitted to hand over the documents from one person to another only with the consent of the person who was ordered to elaborate the document. A document may be transferred from one department to another only through the Administrative Department.

#### **4. The Rules of Elaborating, Registering and Sending Documents at the Structural Subdivisions**

4.1 The following requirements shall be observed in the process of document elaboration and registration:

- the documents shall be printed on the special forms;
- the forms shall not be used for the internal correspondence;
- the corresponding subdivisions shall prepare the documents for the Commission;
- the document shall be short, clear, well grounded, exact and unambiguous;

- the name and telephone of the executor shall be indicated in the left bottom corner, on the opposite side of the last page.

#### 4.2 The document shall be approved in the following way:

The drafts of the Commission resolutions and decisions, the documents to be signed by the Commission Chairman or Commission members shall be approved by the Head of the corresponding subdivision. An approval by the Head of the Legal Department is by all means required for drafts of Commission resolutions, decisions and Commission Chairman's orders.

The structural subdivisions preparing the document shall be responsible for acquiring the approvals.

The approving signature shall be put on the copy of the document. In case of orders and other internal documents the signature shall be put in the left bottom corner, on the opposite side of the last page.

The approved and signed drafts shall be sent to the Administrative Department for the final registration.

If the document must be sent to an official, the addressee's position or the name of the organization and the addressee's name shall be put in the upper right corner. If the document must be sent to an organization the organization name shall be written. In the documents that are replies to citizen's letters first the address must be indicated and then the addressee's name.

There can be three names written on the document. In this case there must be three signed copies. If the document is sent to more than three addressee's, the name of only one addressee must be indicated on each copy.

If the document has an appendix and it is mentioned in the text, it shall be indicated at the end of the text in the following form: "Appendix ... page... copy ...". If the attached document is not mentioned in the text, the title of each attached document, the number of pages and copies shall be indicated.

The documents that are orders shall have the document number and the date in the upper right corner.

The documents to be approved shall have Status note "Approved", the position, signature, initials, surname and date. If the document is approved by means of an order statement, the Status note shall be: "Approved", the document's title, number and date.

The text of the document shall be typed with double spaces. The right, top and bottom margins shall not be less than 30 mm, left margin - not less than 8 mm.

4.3. The text of the telegram shall be typed on the Commission form and shall be submitted to the administrative department for registration and distribution.

4.4. The text of the telegram shall be short using words denoting commas, full-stops, etc. instead of the punctuation marks. The text shall be typed without paragraphs, words are not to be split and the whole text shall not exceed one page.

4.5. The documents submitted before the end of the working day shall be sent through the Administrative Department the same day. The documents submitted by the end of the day shall be sent next morning. Urgent documents shall be sent upon submission.

The documents to be sent shall be registered in the Administrative Department. The records shall be kept for one year and then - destroyed.

4.6. If one of the Commission subdivisions holds information which might be interesting for the other agencies, the duplicated copy of the text shall be submitted to the Administrative Department.

The information in the form of applications shall be submitted to the Administrative Department to be filled in and posted up on a special board.

## **5. Task Registration**

5.1. The Chairman and the members of Commission assign the Executive Director and the Heads of the Commission subdivisions certain tasks made in the form of resolutions on the incoming documents.

The Executive Director of the Commission shall give tasks in the form of the resolutions only to the Heads of the structural subdivisions to elaborate the documents.

The Heads of the subdivisions are responsible to give tasks in the form of the resolutions only to the personnel of their subdivisions to elaborate the documents.

The Heads of the structural subdivisions are responsible to work out the draft projects for the task of the Chairman of Commission on incoming official correspondence and the citizens' letters. The draft-projects of the resolution of the tasks shall be enclosed by a short glossary, provided that the mentioned information comprises more than two pages.

5.2. The draft-projects of the tasks shall be typed on the special form.

The task-project shall contain specific assignments for the officials who are supposed to bear these responsibilities. The contents of the tasks shall be brief and they shall precisely state the essence of the task. It is required to indicate the terms of the task performance. The project shall be signed by the project executors.

5.3. The signed task-projects, together with the respective documents, shall be submitted to the Administrative Department to be reported to the management.

In certain cases, based on the subject of the issue, the Heads of the subdivisions shall be entitled to submit the task-projects to the Chairman or the Executive Director of the Commission.

5.4. The signed tasks shall be returned to the administrative department together with other documents for registration, elaboration and dispatching. If the task is given for the incoming documents, the registration number and the date of signature shall be indicated on it.

The approved copies of the tasks and the respective documents shall be sent to the addressees. The originals shall be kept in the department. The copy of the task shall be submitted to the department which had elaborated the task-project, also to the agency, or the person whose application is being responded.

The Administrative Department shall deal with the tasks elaborated in reply to the citizens' mails in the similar way as indicated above.

## **6. Supervision of the Elaboration and Performance of the Tasks**

6.1. The Executive Director and the structural subdivisions of the Commission are in charge of supervising the decisions of the Commission, Commission Chairman Decrees, tasks and documents, also the tasks and elaboration of the documents from the part of the Commission members, together with the Administrative Department in compliance with the respective responsibilities.

The Head of subdivision is responsible to personally control the process of the performance of the given task and to identify the person responsible for the performance of the tasks.

If the Chairman or members of the Commission give tasks to several subdivisions, the first person indicated in the task shall be responsible to coordinate the performance of the tasks.

6.2. The Administrative Department of the Commission shall be responsible to control and analyze the decisions of the Commission, Decrees, tasks of the Commission members and document elaboration process.

6.3. The date of the document elaboration shall be indicated in the text and calculated from the date of its signature.

The deadline for the preliminary review and preparation of the proposals to be reported to the administration shall be from 1 to 3 days. If a certain document requires an additional study, then the period shall be extended to 10 days.

If the task performance period has to be extended, the official who has given the task shall be notified in writing about the extension 3 days before the term expires. The extension of the performance date shall be recorded.

6.4. The Administrative Department can demand information regarding the performance process and results of fulfilling the statements and tasks given by the Commission Chairman and Commission members in agreement with the said officials.

### **7. Elaboration of Meeting Minutes**

7.1. The Administrative Department is responsible to prepare on the special forms the minutes of the Commission meetings and the Commission Chairman's sessions.

7.2. The Administrative Department shall record the resolutions and decisions which have been accepted at the Commission meetings without amendments the same or next day. The notes, proposals and instructions shall be included into the draft decrees and statements by the Heads of the respective subdivisions. The final versions of the projects shall be signed by the Heads of the respective subdivisions, the Legal Department and the Administrative Department, after which they shall be submitted to the Commission Management for approval.

7.3. The Minutes of the meetings shall be given numbers according to the calendar year. The minute records, in the form of minute extracts, shall be sent to the executive officers. The executive officers shall be informed about certain decisions in respect with those addressees, who are identified by the Executive Director and subdivisions.

### **8. Arrangement of the Process of Acceptance and Review of the Mail**

8.1. The incoming mail of the Commission shall be registered at the Administrative Department. The envelopes shall be attached to the letters.

8.2. The contents of letters determines to which structural subdivision of the Commission the letter shall be submitted for review and elaboration of guidance proposals, or the resolution drafts.

The copies of letters, together with the proposals and later with the attached documents, shall be returned to the Administrative Department.

It is prohibited to send a certain letter from one subdivision to another without the consent of the administrative department.

8.3. The letters which need not be reported to the management shall be directed to the respective state agencies and organizations by the Administrative Department. A copy of such a letter can be sent or the return of the original letter can be demanded together with the answers about the review results.

The letter shall in no case be sent to the person or the agency against which the claim had been brought.

The letter shall be sent together with an covering letter typed on a special form. It shall be signed by the Head of the Administrative Department of the Commission.

8.4. The incoming letters from any agency, together with their covering letters and answers on the review results, shall be registered at the Administrative Department despite their being drawn on special forms.

8.5. Any letter not requiring additional inspection shall be reviewed in the structural subdivision within 15 days, while in other cases - within one month.

The letters are considered elaborated if all issues set forth in them are fully analyzed, the respective procedures performed and the declarer - notified in the written or verbal form.

8.6. The reception of citizens at the Commission shall be conducted by the Administrative Department on a daily basis, except week-ends.

The data regarding the reception of citizens shall be entered in the computer. Written applications, claims or proposals shall be reviewed in the usual way.

8.7. The Administrative Department of the Commission shall regularly and precisely assess the mail, received once quarterly and submit the respective information to the Chairman and the Commission members.

## **9. Technical Provision of the Documents' Elaboration**

9.1. Printing, copy-making and duplication of documents belonging to the Commission shall be maintained at the Administrative Department. Shorter texts shall be printed and duplicated in the structural subdivisions in compliance with the regulations of document elaboration.

9.2 Only office documents shall be accepted for printing, copy-making and duplication.

Materials submitted for printing must be written in violet, blue or black ink. Manuscript must be easily readable.

Copies can be made only from the original documents.

Special forms shall be filled for printing and copying orders.

9.3 In submitting the documents to the Administrative Department the addressee subdivisions shall take into consideration the following:

- correct spelling of geographical names, names, official titles, ministries, institutions, organizations, enterprises, private structures, foreign institutions and international organizations is required;

- telephone number of the person who can answer questions and explain all ambiguous issues to a typist must be indicated on the document along with other visas;
- accuracy in indicating titles, data and numbers of the previous standards while processing documents shall be provided;
- the accuracy of Georgian language standards and special terms is required.

The top priority and urgency of the elaborated materials shall be determined by an Executive Director of the Commission (The urgency of the document shall be indicated on the original copy).

9.4 Printing and copying of materials ordered by the Chairman and Commission members shall be considered of the top priority. Other materials shall be typed and copied as supplied.

Number of copies to be typed and multiplied shall be determined by the executor.

9.5 Typed and copied materials shall be handed over to the client together with the original document.

A typist shall correct spelling mistakes.

The initials of the typist, number of typed pages and copies shall be indicated in the left corner of the last page in the following way: MB 3/2.

## **10. The Rules of Document Elaboration and Transfer. The Use of Archive Materials**

10.1 A File list is a list of issues processed at the Commission. The period during which the document shall be kept is indicated in the Regulations.

10.2 The File list shall include:

- all files and documents reviewed by the Commission.
- files elaborated at the Commission subdivisions;
- references and card-indices;
- each item of file list shall be provided with indices, titles of files and the period during which files shall be kept.

10.3 The File list of the next year shall be worked out at the end of the current year according to the list provided by structural subdivisions; the general list of files worked out by the Administrative Department shall be approved by the Commission Chairman.

Commission Operational Regulations shall be changed in case of structural changes.

10.4 An Executive Secretary of each structural subdivision shall supervise the due elaboration of documents in accordance with the Internal Operational Regulations.

10.5 Completed files shall be handed over to the archive together with an attached statement.

10.6 The period during which documents shall be kept in the archive is determined in the Internal Operational Regulations.

Documents to be destroyed are specified by the group of experts assigned according to the Commission Chairman's order.

## **11. Documents Marked "For Internal Use Only"**

11.1 This Internal Regulation provides for the documents marked "For Internal Use Only".

11.2 The decision on the application of Status note "For Internal Use Only" shall be made by the official who signs and approves the document. The status note "For Internal Use Only" is given to some standards, informational or reference documents (editions), containing information which is not secret but has limited access. Such are data not subject to publishing in the mass media and available only for certain staff members. The status note shall be put in right bottom corner of the first page (or on the cover). The number of copies shall be indicated under the status note.

11.3 The status note "For Internal Use Only" shall be:

- registered separately;
- handed over to the staff of the subdivision which will issue a receipt;
- copied only with the permission of the chairman of subdivision and copies shall be paginated (N7 copy 01);
- kept together as one file in accordance with the regulations for non-secret files;
- handed over to the archive after the period during which documents can be kept in a structural subdivision of the Commission.

## **12. Use of Seals and Stamps**

12.1 An official seal shall be used by the Commission to approve signatures.

Rubber stamps shall be used for document registration.

12.2 Official seals shall be used to approve identity cards of the staff, also financial and some other documents.

12.3 The appropriate use of seals and stamps shall be supervised by out by the Administrative Department of the Commission.