



**USAID**  
FROM THE AMERICAN PEOPLE

# **Citizen and Enterprise Tracking Survey Georgia**

Prepared by GORBI

November, 2006



**USAID**  
FROM THE AMERICAN PEOPLE

## 2006 Citizen and Enterprise Tracking Survey

Prepared by GORBI.

With funding provided by Core International under cooperative agreement:

USAID/Caucasus Mission  
Office of Energy and the Environment

November, 2006

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government or of the contractor.



**USAID**  
FROM THE AMERICAN PEOPLE

## Table of Contents

- **Study Methodology.....4**
- **Awareness of Energy Crisis, January 2006.....5**
- **Gasification.....15**
- **Privatization.....22**
- **Institutional Energy Sector Assessment.....30**
- **Corruption Assessment.....35**
- **Overall Assessment of MoE.....44**
- **Khudoni HPP.....63**
- **Information on Energy Sector.....67**
- **Opinions About Electricity supply.....71**
- **Metering.....84**
- **Bills and Payments.....96**
- **Comparative Snapshot.....115**



**USAID**  
FROM THE AMERICAN PEOPLE

## **Study Methodology**

Nationwide representative sample of 1000 adult respondents

Multi-stage probability sampling covering both Georgian rural regions and urban centers

Face-to-face interviewing method utilized for data collection phase

Fieldwork was conducted in October - November 2006



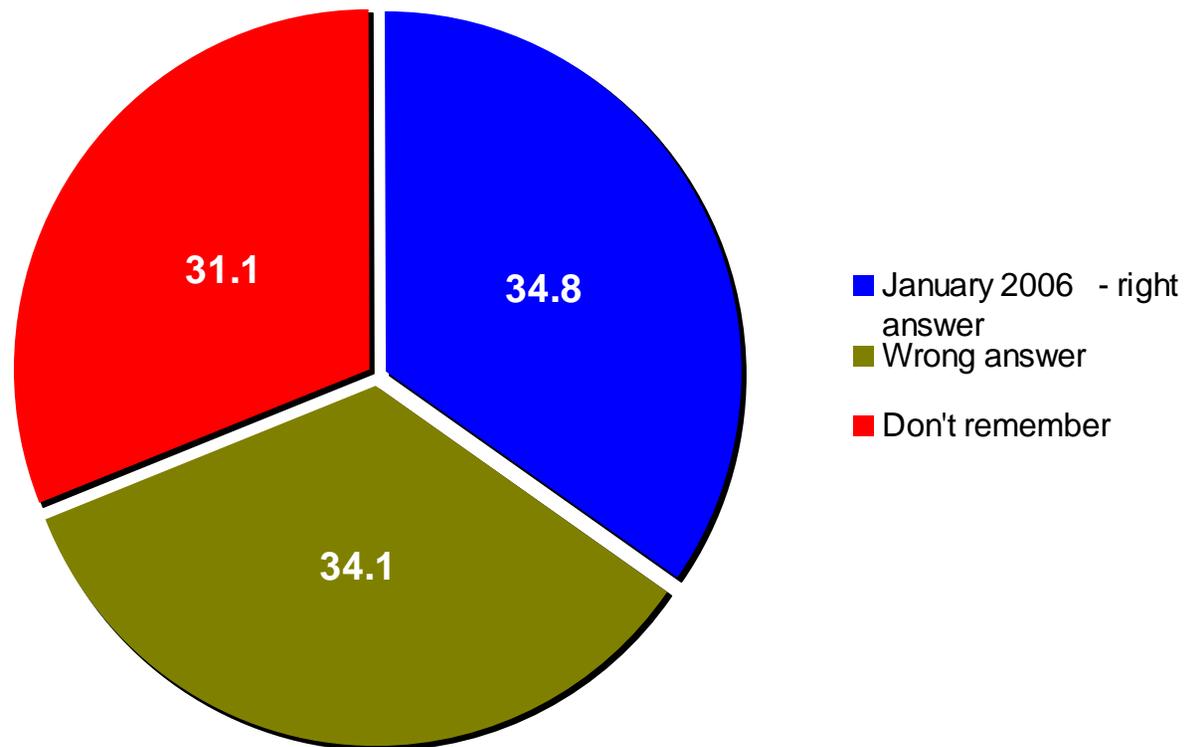
**USAID**  
FROM THE AMERICAN PEOPLE

# **Awareness of Energy Crisis, January 2006**



**USAID**  
FROM THE AMERICAN PEOPLE

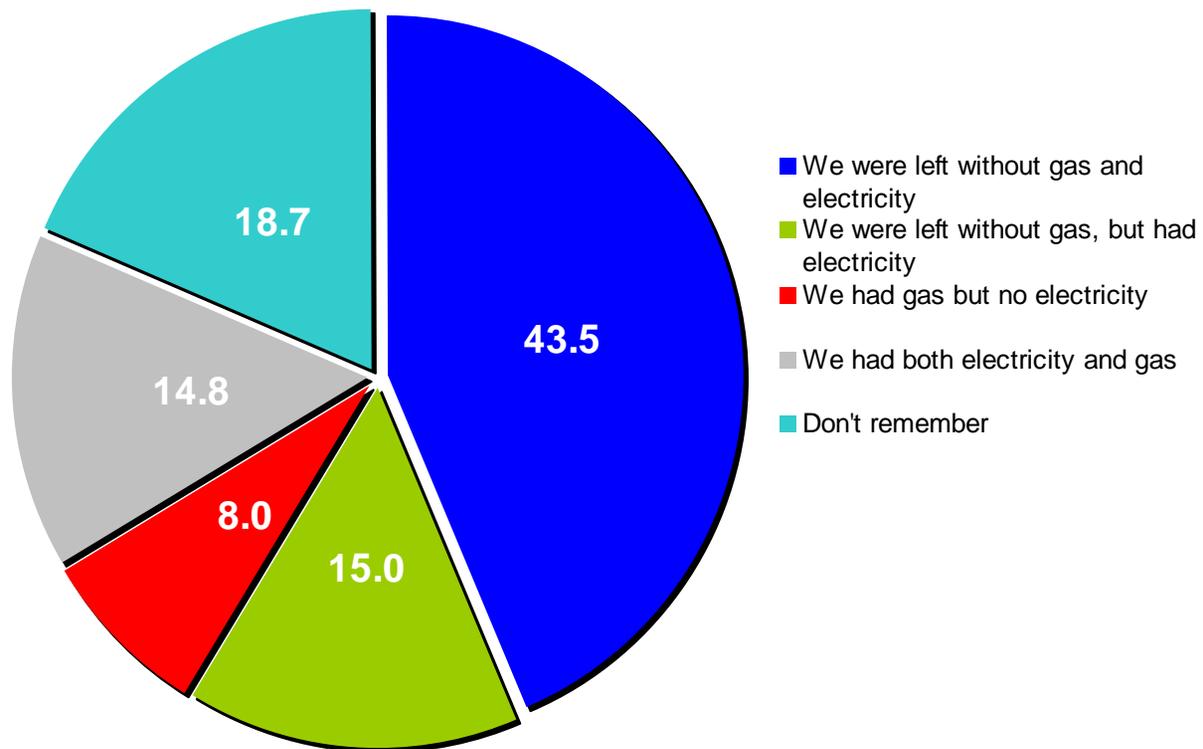
**CITIZEN: a1 Can you recall when did the last energy crisis take place in Georgia?**





**USAID**  
FROM THE AMERICAN PEOPLE

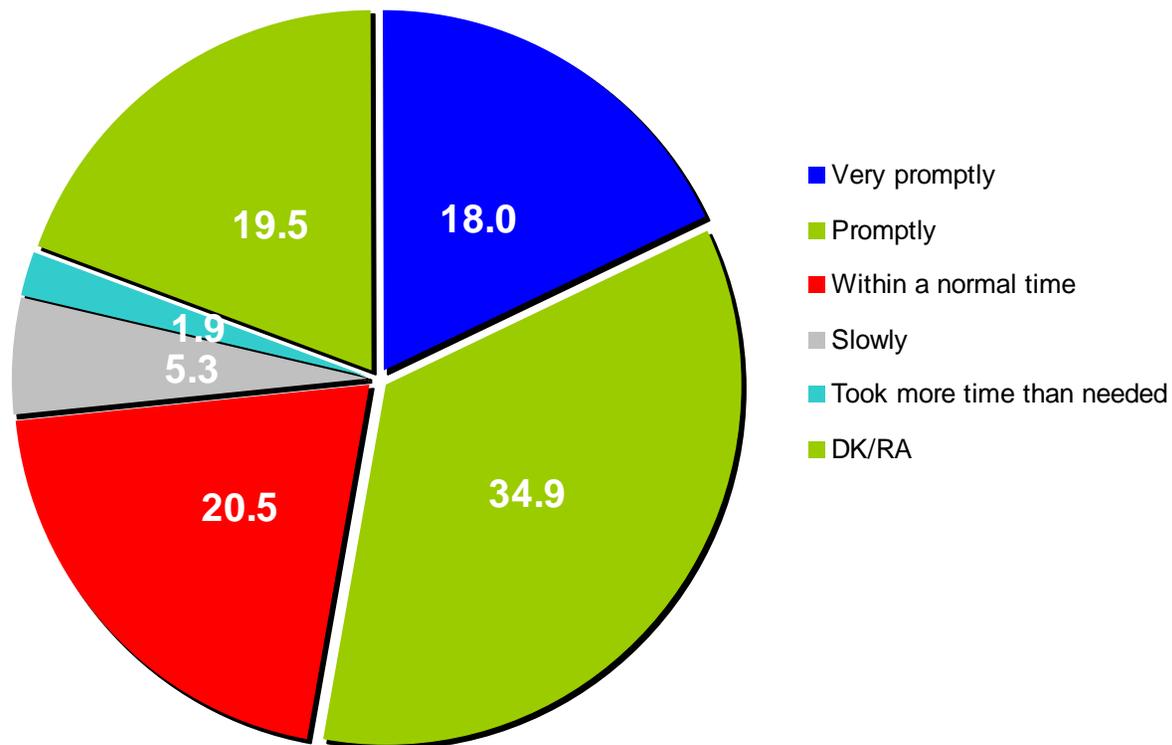
### CITIZEN: a2 Did the recent (January 2006) energy crisis affect you and your family?





**USAID**  
FROM THE AMERICAN PEOPLE

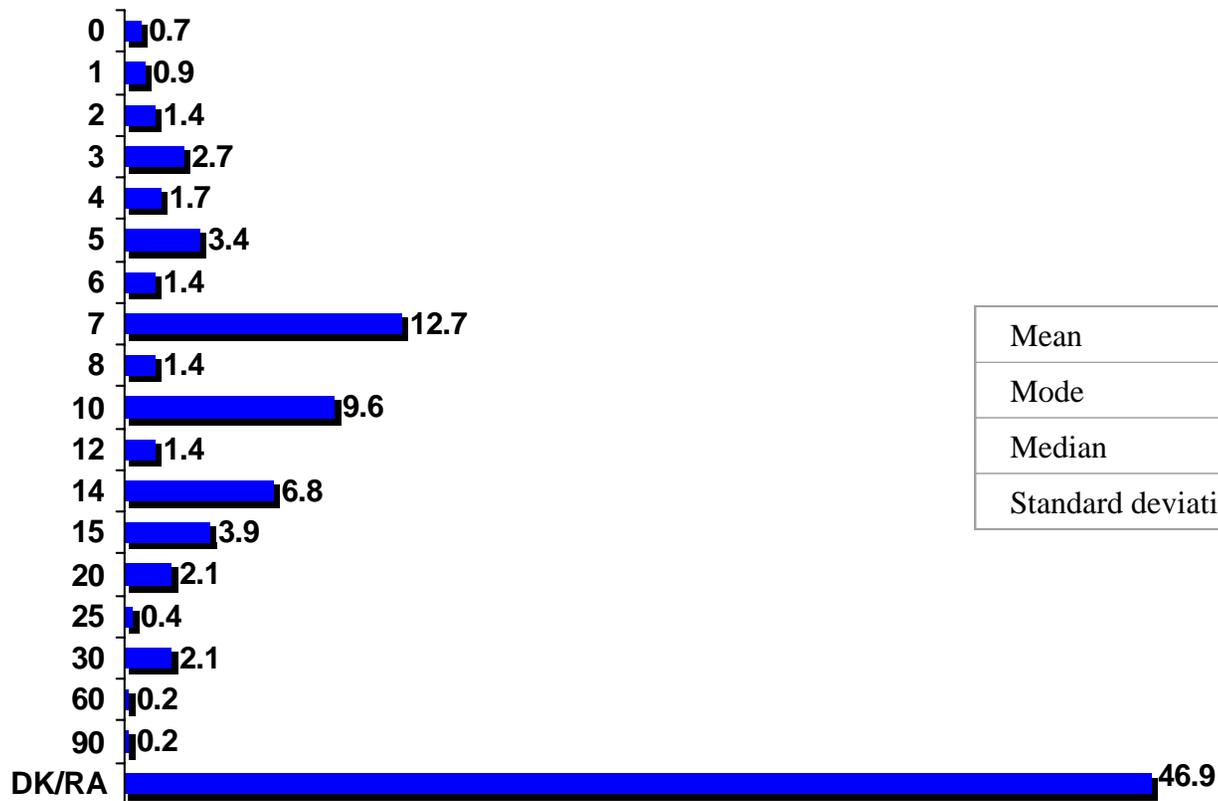
**CITIZEN: a3 In your opinion, how promptly was the situation related to energy crisis in January 2006 stabilized, when the main gas pipeline and 500 KV "Kavkasioni" electricity transition line were exploded?**





**USAID**  
FROM THE AMERICAN PEOPLE

## CITIZEN: a4 Can you recall how long (N of days) did it take to resolve the January 2006 energy crisis?

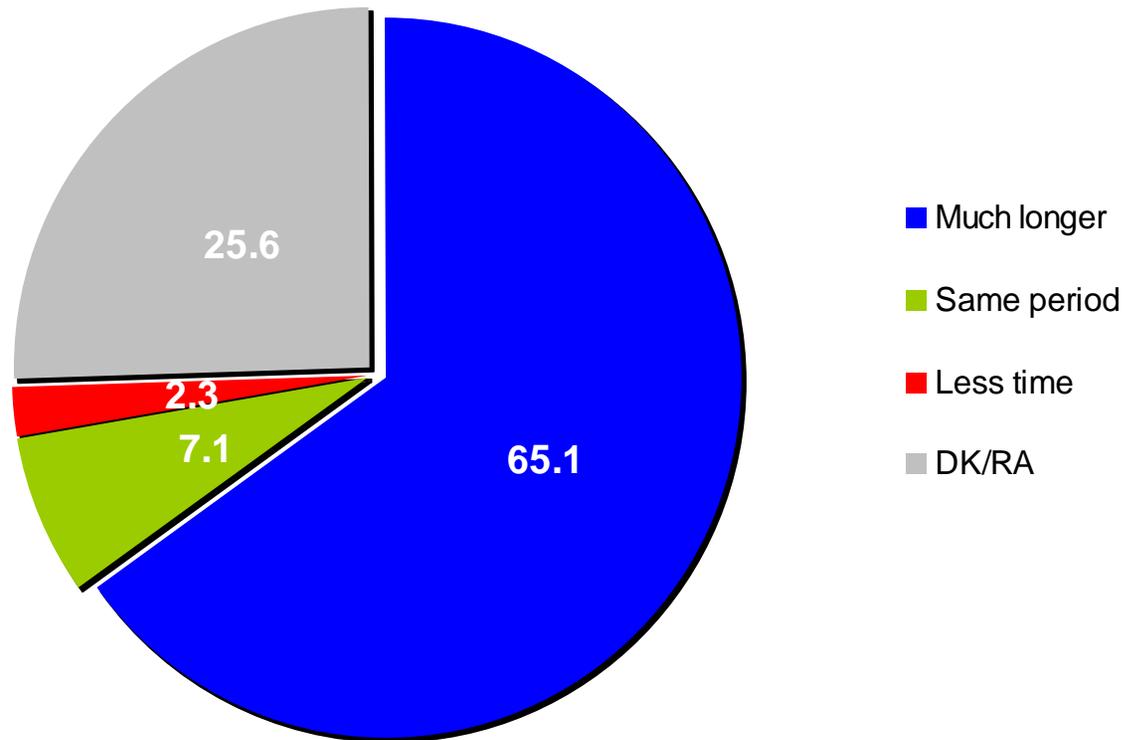


Mean	10.02
Mode	9.34
Median	7
Standard deviation	6.209



**USAID**  
FROM THE AMERICAN PEOPLE

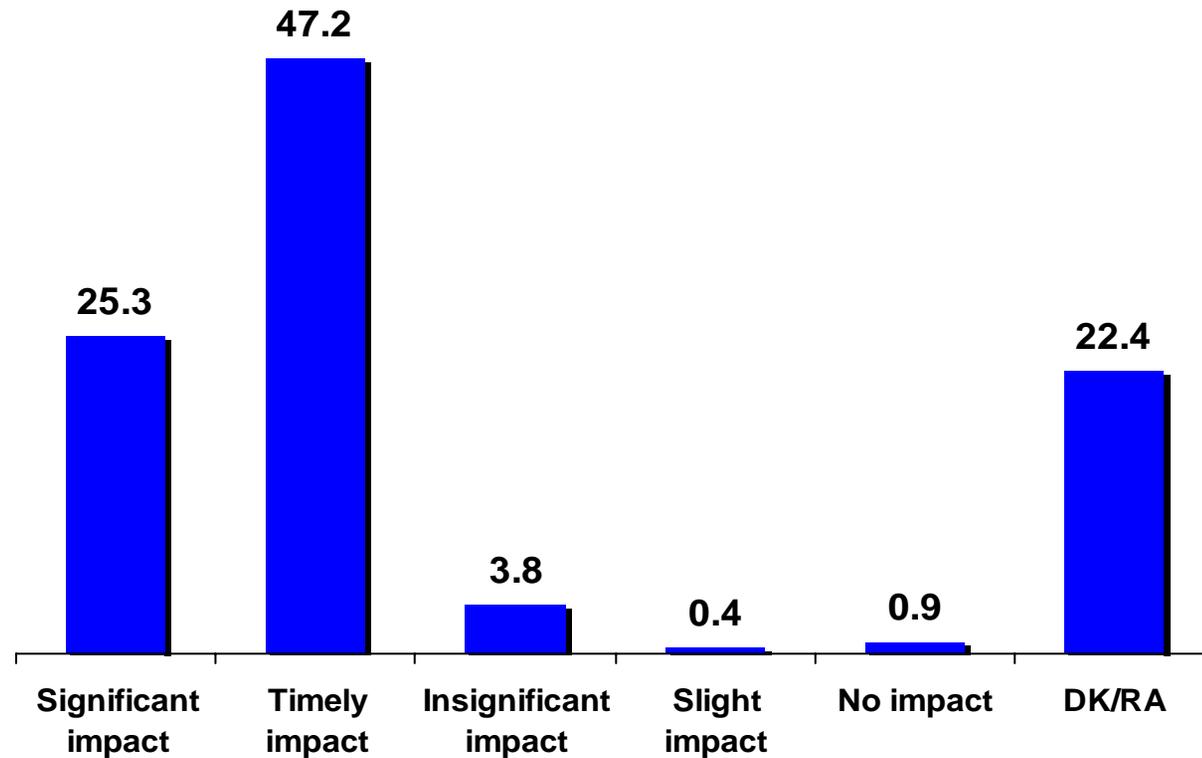
**CITIZEN: a5 In your opinion what was the time required for eliminating such energy crisis related situations three or four years ago?**





**USAID**  
FROM THE AMERICAN PEOPLE

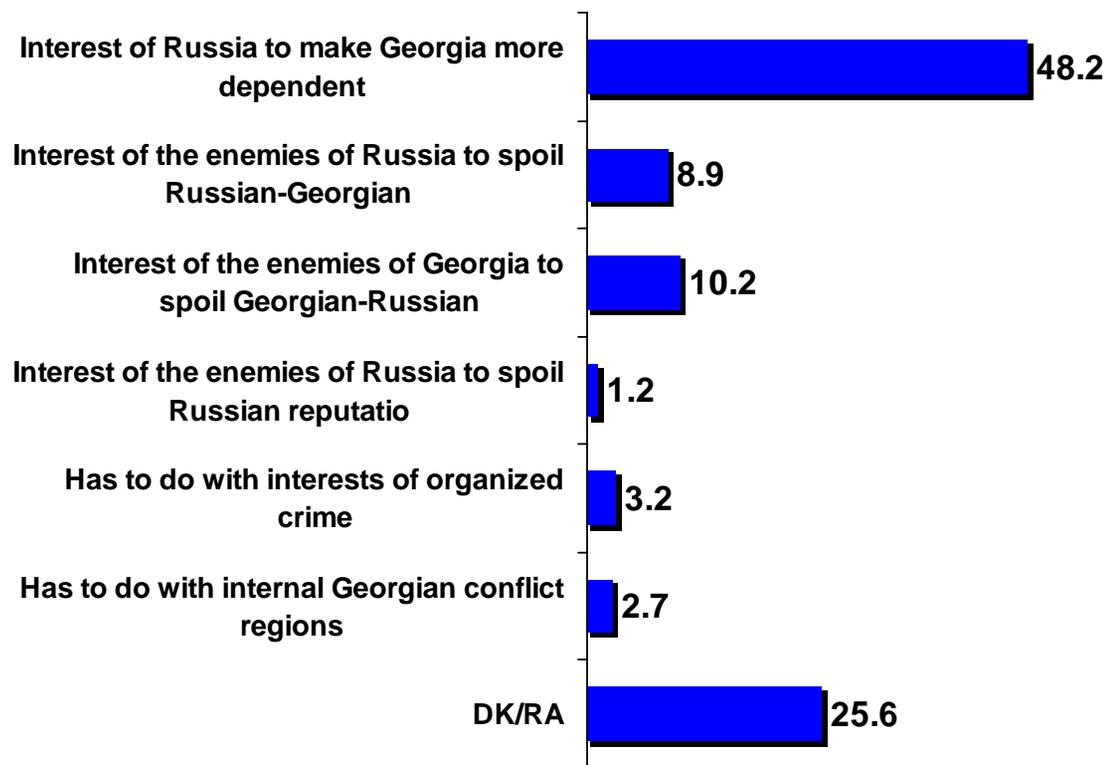
**CITIZEN: a6 Do you think that the rehabilitation activities conducted under the coordination of MoE during the past two years contributed to regulating the recent energy crisis promptly?**





**USAID**  
FROM THE AMERICAN PEOPLE

### **CITIZEN: a7 In your opinion, what were the external factors having caused the energy crisis in January, 2006?**





**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings – Awareness of Energy Crisis, January 2006**

Although since January 2006 several dramatic changes have occurred in various directions, both socially and politically in Georgia, only a little more than one third of the adult population was able to recall the last major crisis that took place in January 2006. This was when the main gas pipeline and 500 KV "Kavkasioni" electricity transition line were blown up on the territory of the Russian Federation.

The ensuing energy crisis impacted more than two in five households. Families were left without gas and electricity in subzero temperatures. Nationally, only 15% of surveyed households were not directly impacted by the crisis. Only this minority was left with electricity and a gas supply in spite of the blackout and the widespread cutoff of natural gas supplies.

Less than one in ten of surveyed said that the crises had slowly stabilized and was resolved, however the majority of adult Georgians considered stabilization as having been "promptly" resolved and another quarter of respondents described it as "within the normal time."

Based on the survey data, respondents thought that an average of 10 days was required to resolve the energy crisis.



**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings – Awareness of Energy Crisis, January 2006 (cont)**

**Clearly, effective crises management was generally implemented by the Georgian government, especially within the structure of the Georgian Ministry of Energy (MoE), was positively evaluated by the vast majority of respondents. Only 2.3% of adult Georgians said that three or four years ago that the resolution of this kind of crises would have required less time to complete, while 65% said that during the earlier period more time would have been needed to overcome the problem.**

**The majority of the surveyed respondents (73%) believed that rehabilitation activities conducted under the coordination of MoE, largely contributed to the timely regulation of the energy crisis of January 2006. Only a very small number of respondents (4%) discounted the importance of completed rehabilitation works in energy as having contributed to solving the energy crisis.**

**One in two surveyed respondents believed that the main external factor that caused the energy crises was attributed to Russia's interest in making Georgia more energy dependent. However, every fourth respondent could not name an external reason for the existing crisis.**



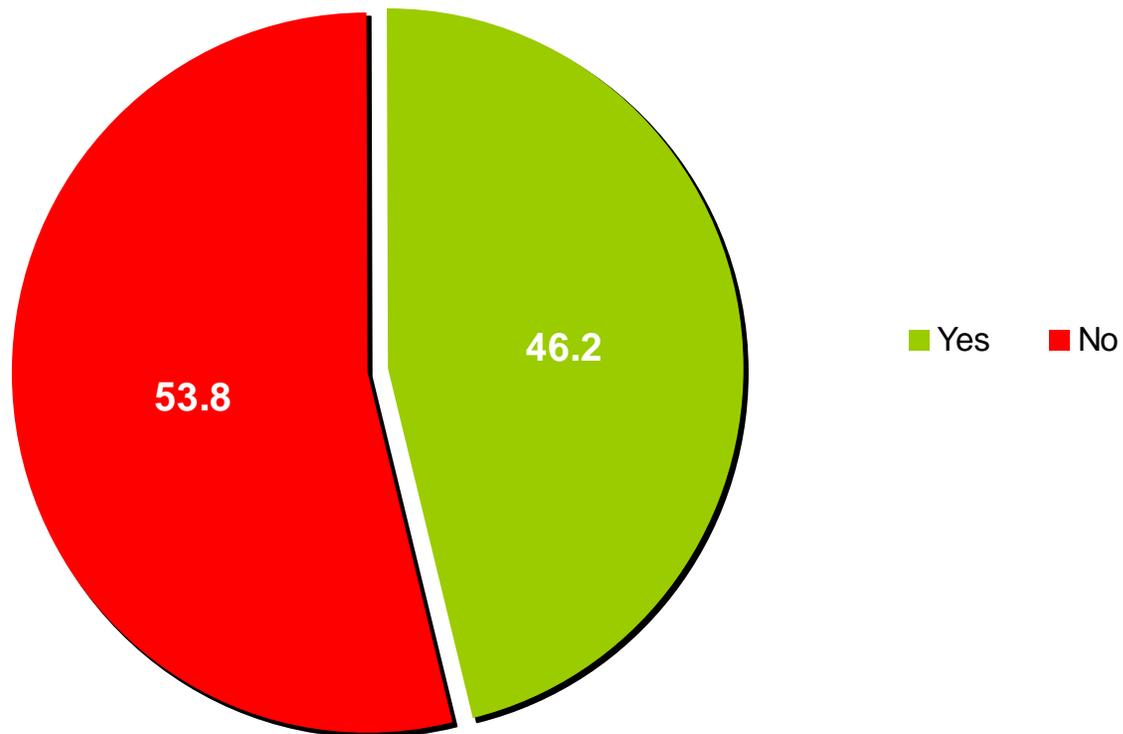
**USAID**  
FROM THE AMERICAN PEOPLE

# Gasification



**USAID**  
FROM THE AMERICAN PEOPLE

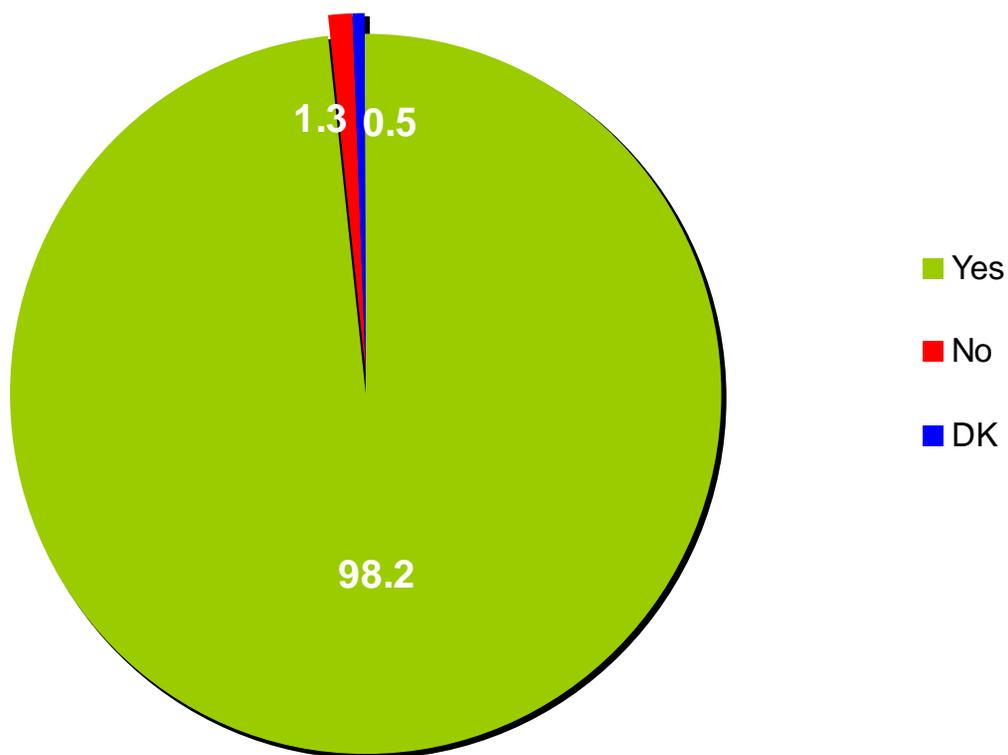
**CITIZEN: c18 Is your community gasified?**





**USAID**  
FROM THE AMERICAN PEOPLE

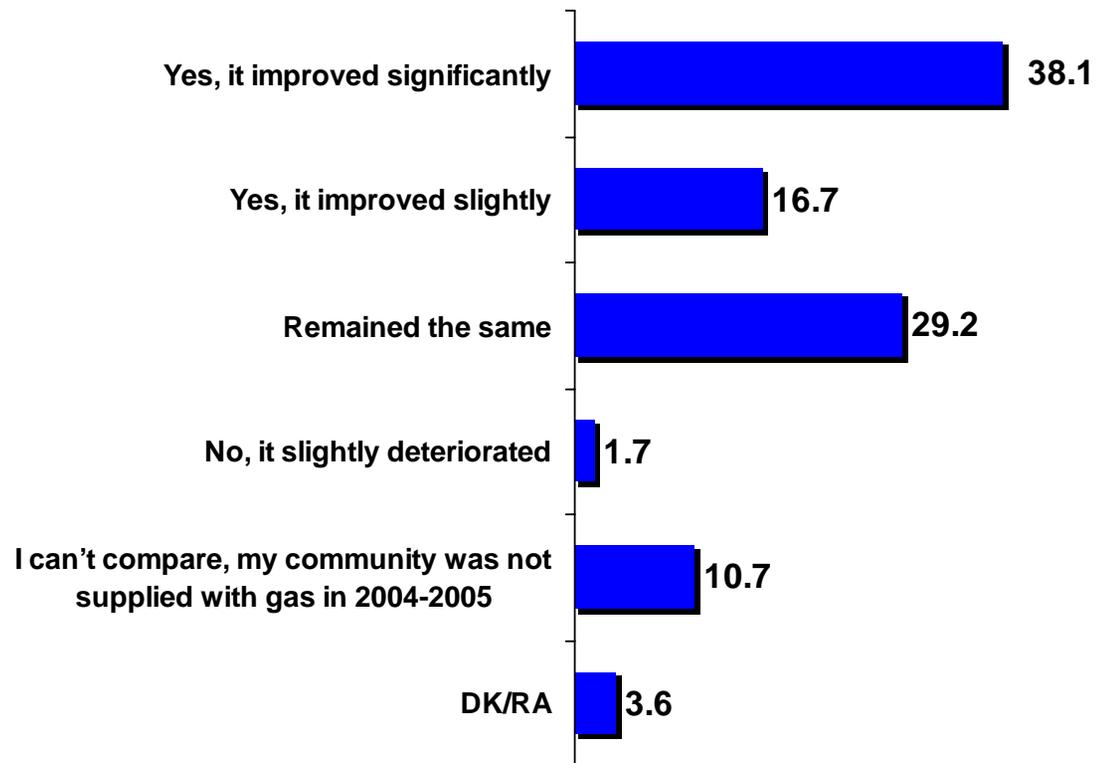
### CITIZEN: c19 Would you like your community being gasified?





**USAID**  
FROM THE AMERICAN PEOPLE

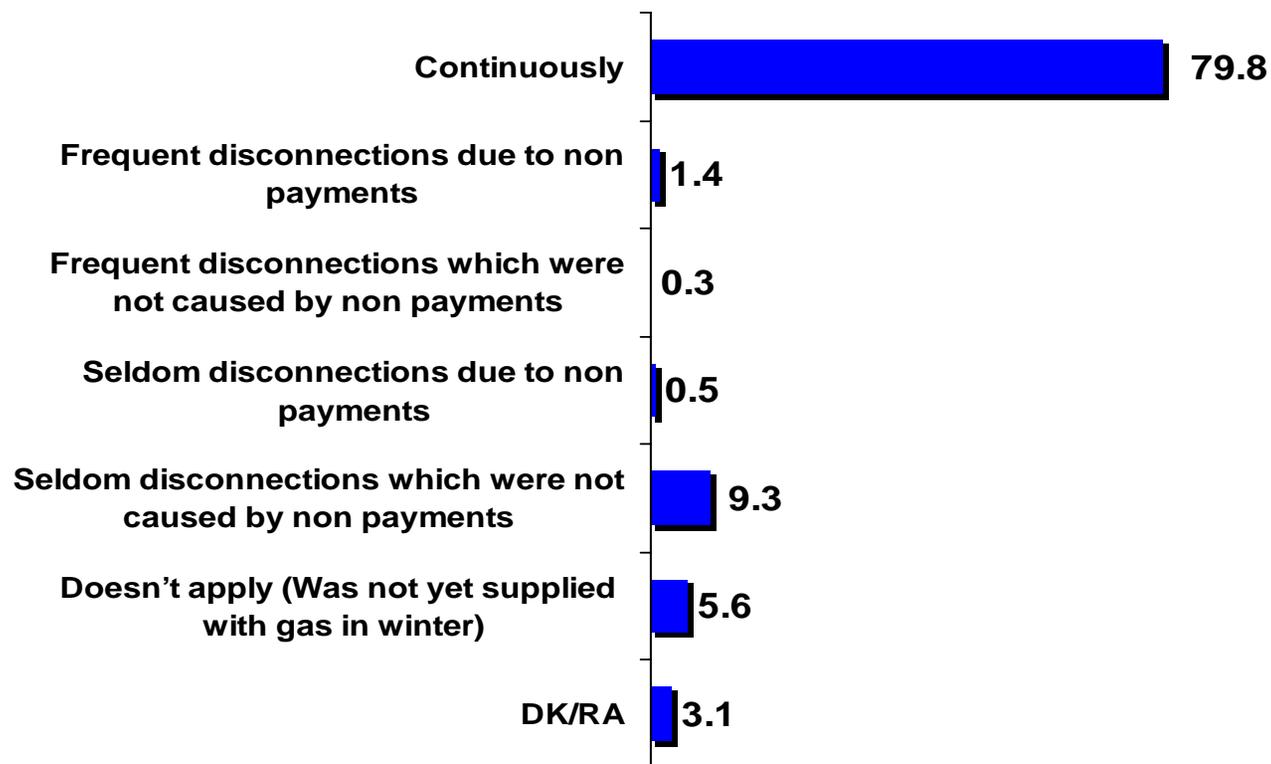
**CITIZEN: c20 Do you think that the gas supply has improved compared to the last winter of 2004-2005?**





**USAID**  
FROM THE AMERICAN PEOPLE

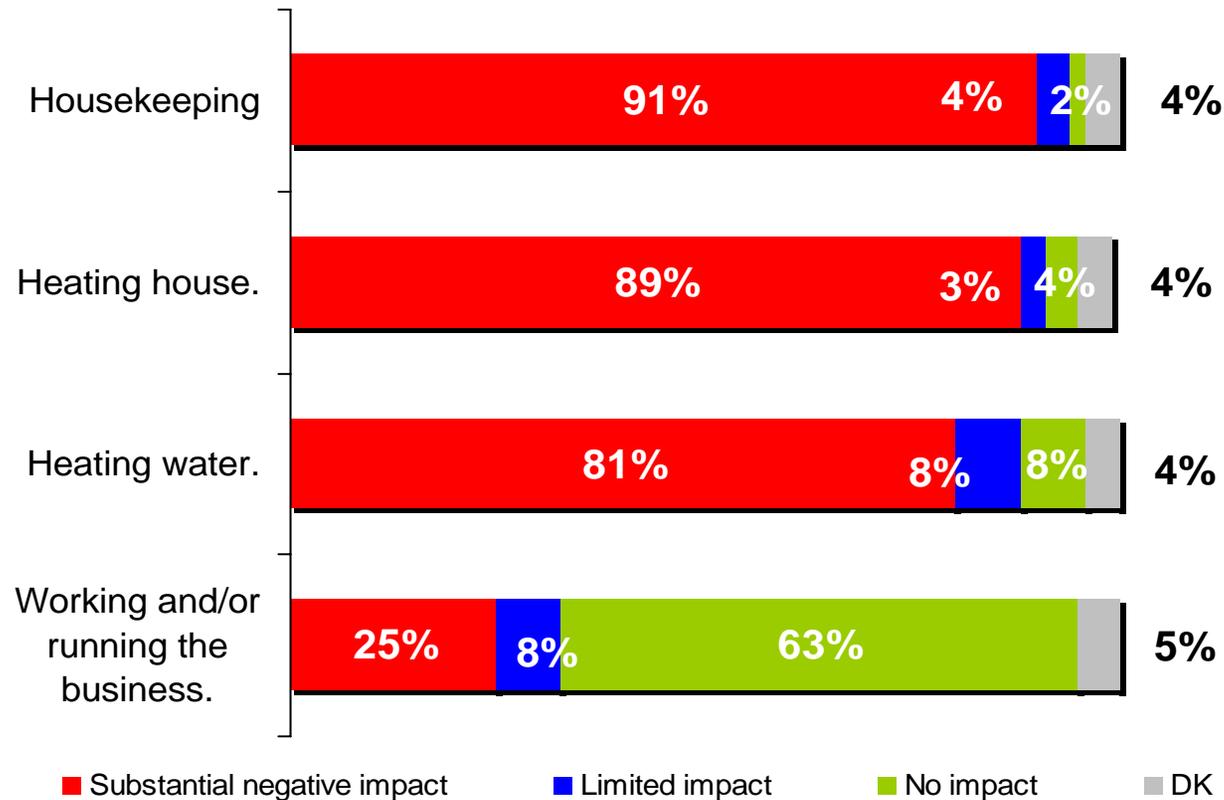
### CITIZEN: c21 How would you assess the gas supply during the winter of 2005-2006?





**USAID**  
FROM THE AMERICAN PEOPLE

**CITIZEN: c22 Please rate how much poor gas supply/ non existence of gas supply impacts different aspects of your life**





**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings: Gasification**

**The majority of surveyed households were not linked to gas distribution networks. Moreover, almost every respondent whose household was not connected to a gas pipe, said that they would like for their community to be connected.**

**Two in five respondents, those with natural gas supplies, admitted there being an improvement in gas supply when compared with supplies during the winter of 2004-2005. However, every third said that the supply remained the same, and 2% of respondents with gas hookups believed that the supply situation has actually deteriorated since the last winter.**

**Eight in ten respondents claimed that their households had an uninterrupted supply of gas during the winter of 2005-2006.**



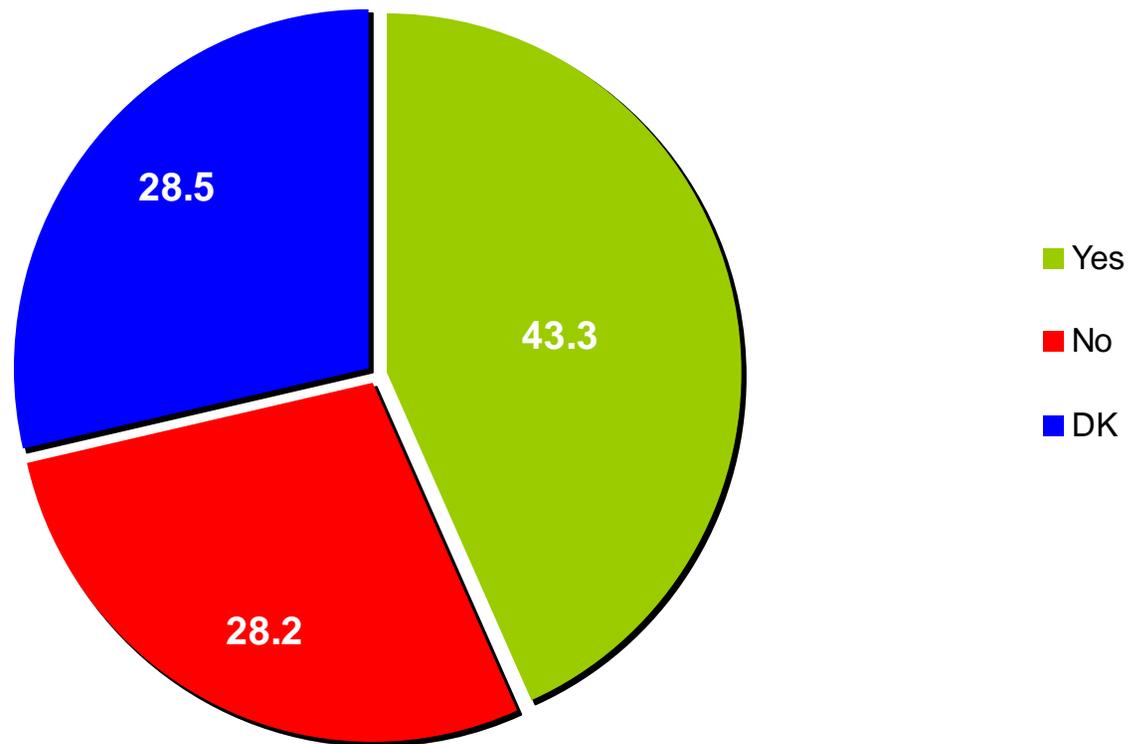
**USAID**  
FROM THE AMERICAN PEOPLE

# Privatization



**USAID**  
FROM THE AMERICAN PEOPLE

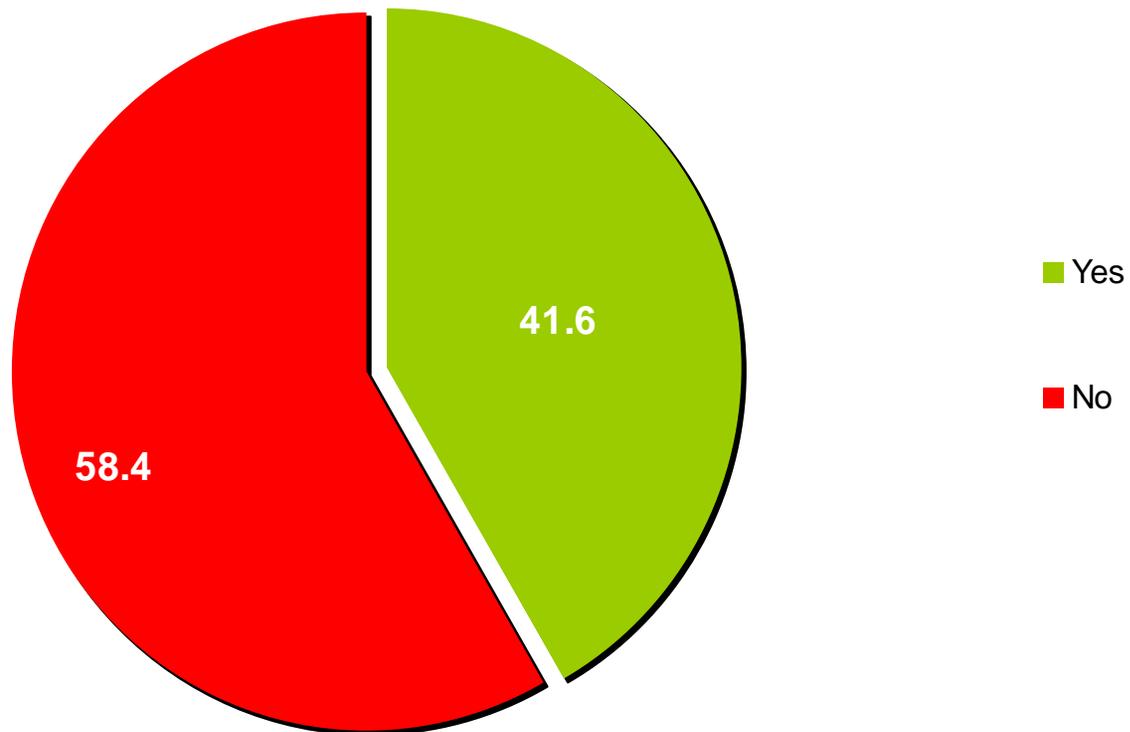
**CITIZEN: f41 Do you agree that unprofitable state owned enterprises (not only in energy sector), should be sold (privatized) to private investors to become effective and profitable?**





**USAID**  
FROM THE AMERICAN PEOPLE

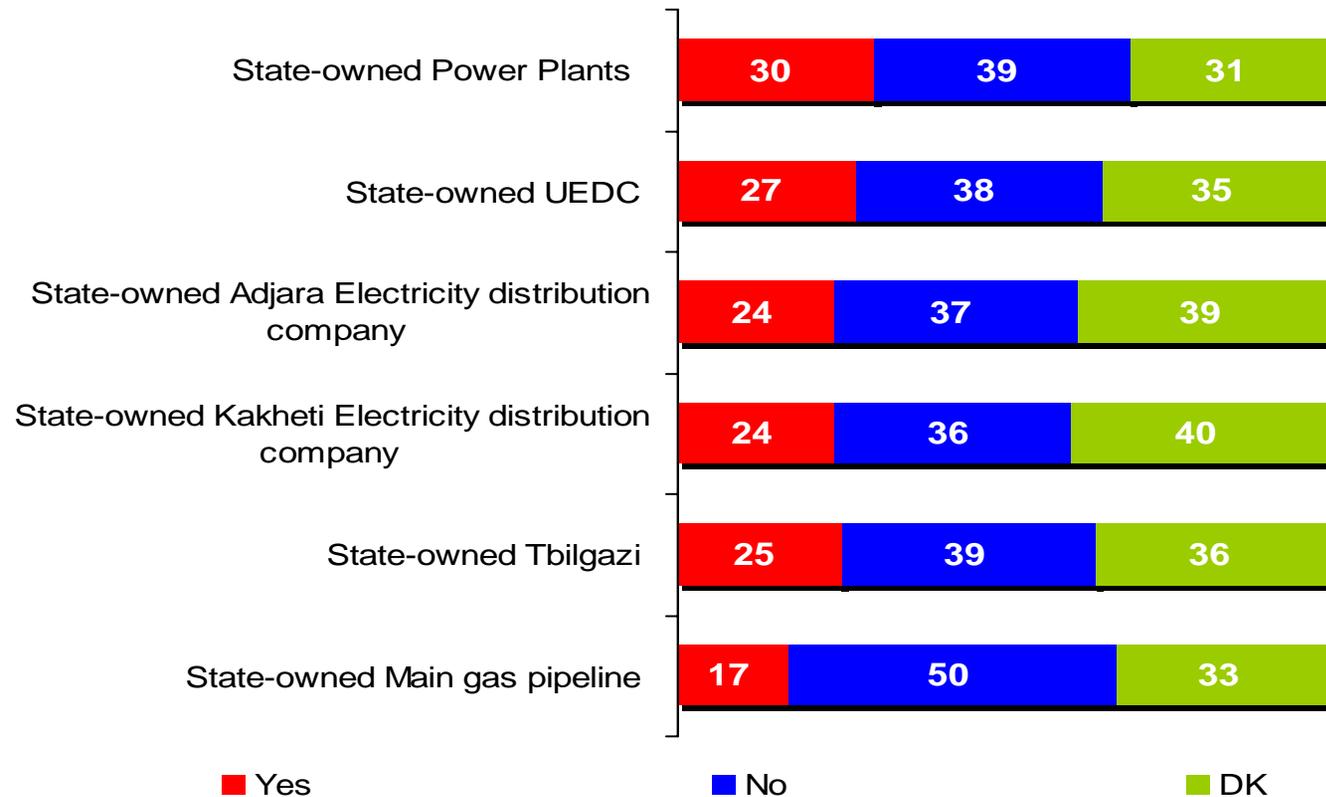
**CITIZEN: f42 This summer the Government of Georgian conducted a tender to sell the unprofitable state owned energy sector assets: HPPs and energy distribution companies. Have you heard about this privatization?**





**USAID**  
FROM THE AMERICAN PEOPLE

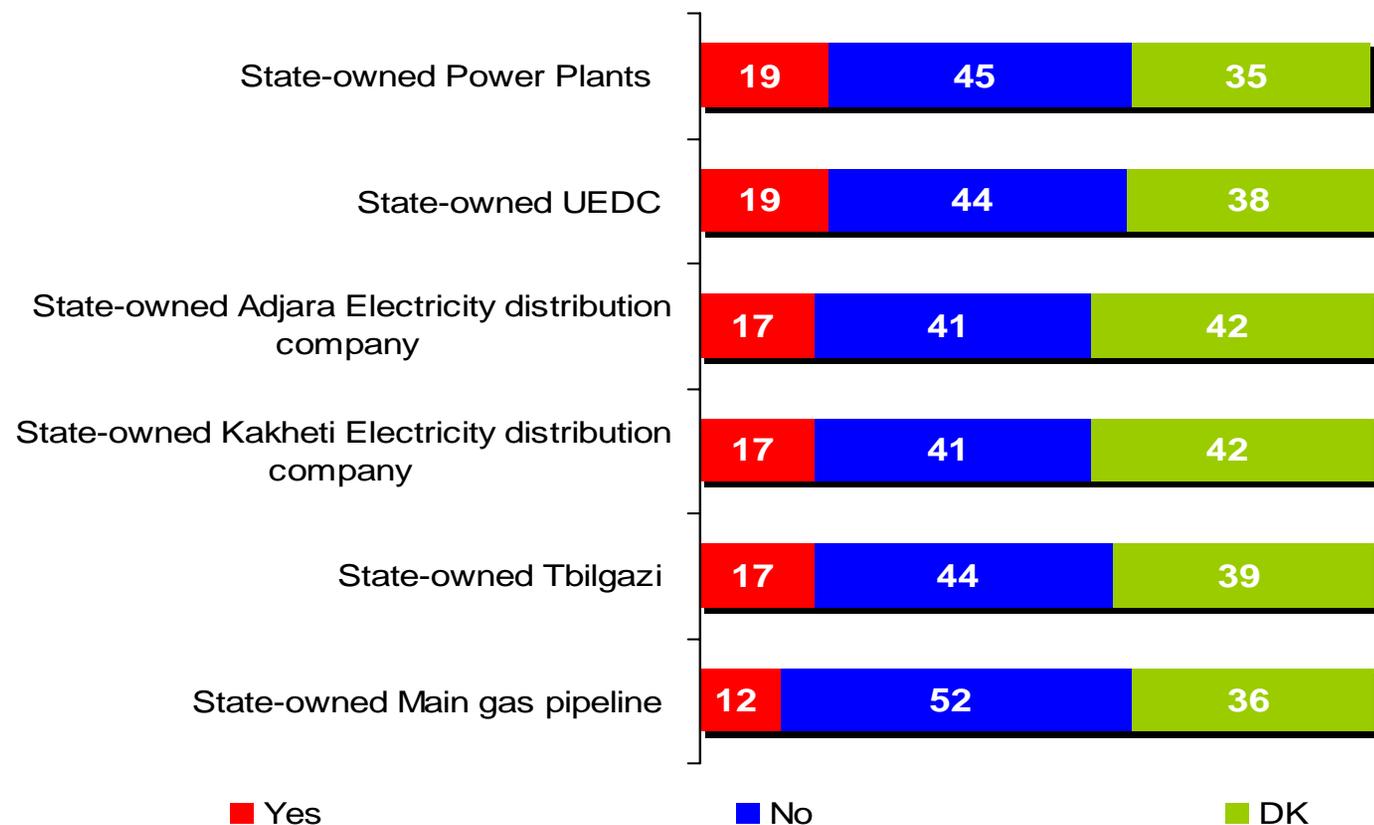
**CITIZEN: f43 Do you believe that selling unprofitable state-owned Power Plants to private investors will ensure that they become effective and profitable?**





**USAID**  
FROM THE AMERICAN PEOPLE

### CITIZEN: f44 Do you agree that this is a right time to sell Power Plants?

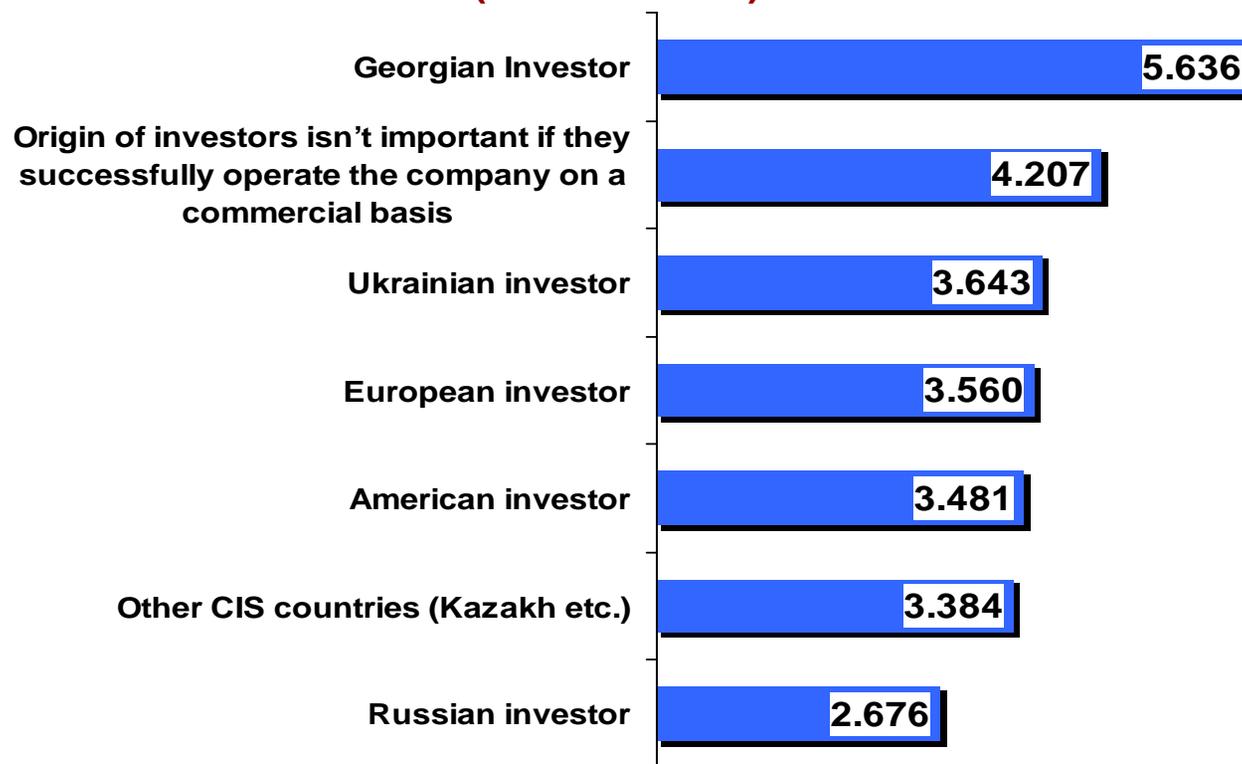




**USAID**  
FROM THE AMERICAN PEOPLE

**CITIZEN: F45. In your opinion investors from which of the following countries will operate better and facilitate development of the Georgian energy sector?**

**(Mean Scores)**





**USAID**  
FROM THE AMERICAN PEOPLE

## Key Findings: Privatization

**The majority of citizens agreed that unprofitable state owned enterprises should be sold off to private investors in order to become effective and profitable; those that disagreed was much less, (43% vs. 28% respectfully).**

**Almost half, 42% of Georgians polled were aware of energy tenders conducted by the government in selling unprofitable state sector energy assets.**

**Many respondents maintained that selling unprofitable state-owned energy enterprises to private investors would not totally ensure that these operations would become more effective and profitable. However, there was a significant difference of opinion between various groups when asked about privatization of the main gas pipeline. 50% believed that the private investor would not be able to ensure operational efficiency, whereas 17% thought to the contrary.**



**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings: Privatisation (cont.)**

**Generally speaking, those polled thought that the time had not yet come for the privatization of state owned power plants. Only 12 percent of respondents thought that the time was appropriate for the privatization of the main gas trunk line. Relatively this is a very small percentage. Moreover, over half of respondents, 52% disagreed with the privatization of gas infrastructure.**

**A number of reasons and factors are involved: Respondents thought for the most part that it would be better for Georgian investors to be involved; the rationale is that domestic investors are best positioned as potential investors, and that others are at a disadvantage to develop the Georgian energy sector.**

**Comparatively the next in line as investors of preferred choice are ranked as follows (on a scale of 1 to 7): Ukrainian, European and American. Russian investors were considered as the choice of last resort, with the lowest relative score.**



**USAID**  
FROM THE AMERICAN PEOPLE

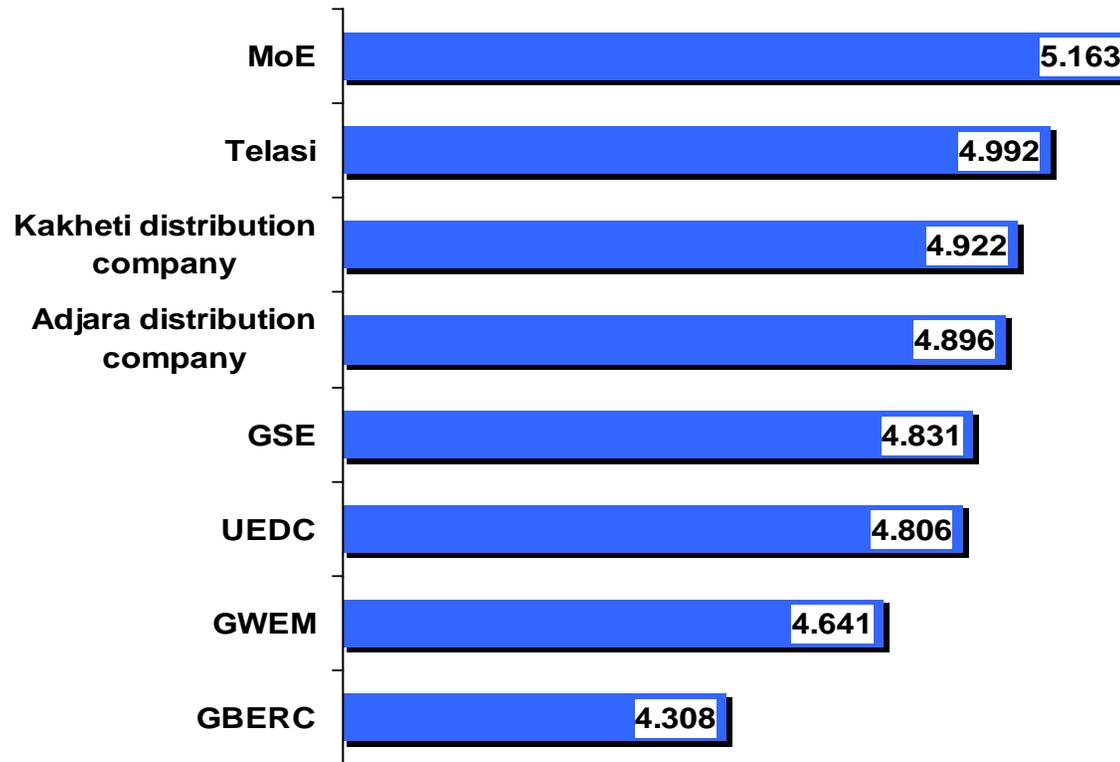
# Institutional Energy Sector Assessment



**USAID**  
FROM THE AMERICAN PEOPLE

**CITIZEN: G46. On a scale of 1 to 7, with 1 negative and 7 being positive, please tell me how would you evaluate activities of the following organizations**

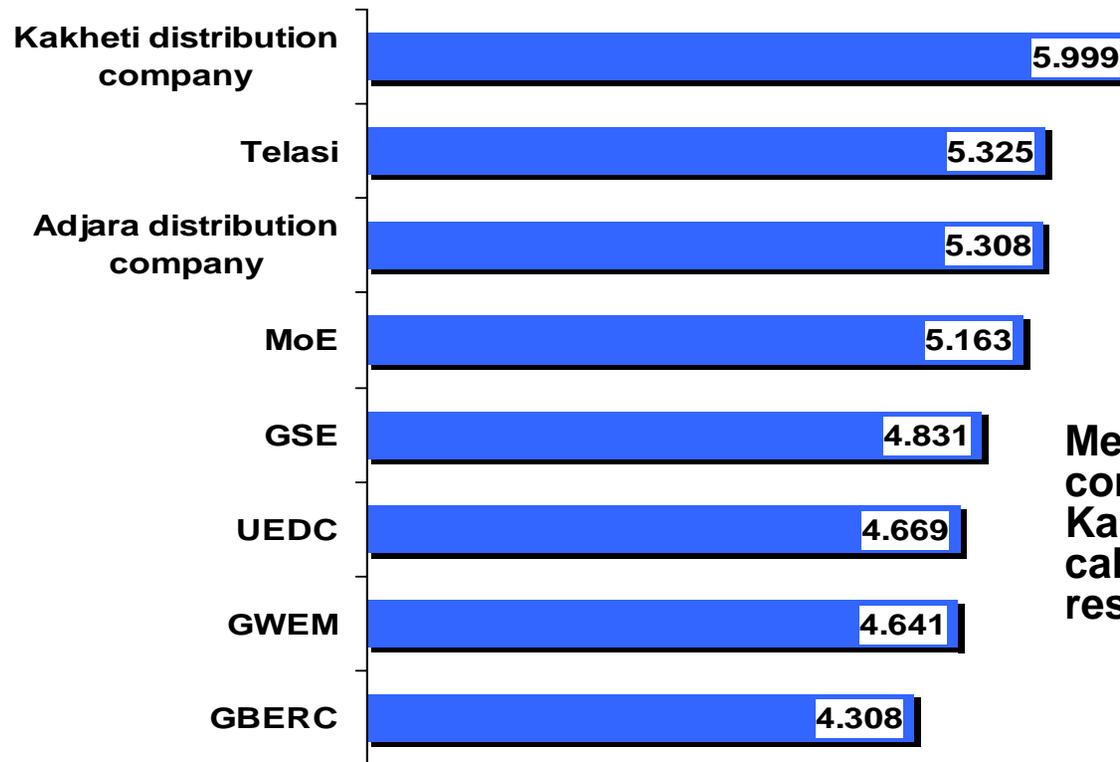
**(Mean Scores-National Level)**





**USAID**  
FROM THE AMERICAN PEOPLE

**CITIZEN: G46. On a scale of 1 to 7, with 1 negative and 7 being positive, please tell me how would you evaluate activities of the following organizations**

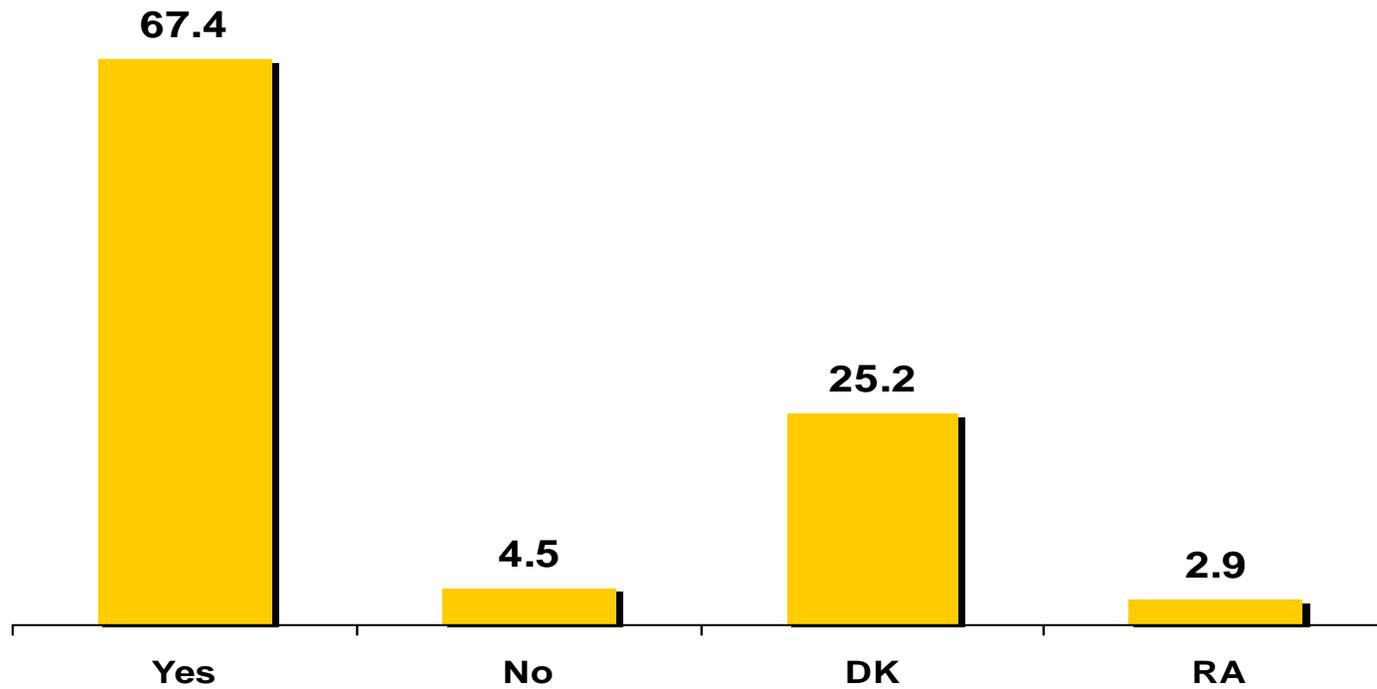


Mean scores for regional companies (Telasi, UEDC, Kakheti and Ajara) are calculated based on responses of each region



**USAID**  
FROM THE AMERICAN PEOPLE

**CITIZEN: g47 In your opinion, will the current Ministry of Energy succeed in solving the problems of the energy sector in Georgia?**





**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings: Institutional Energy Sector Assessment**

**Key institutions were generally assessed positively by the larger public. The job that the Ministry of Energy of Georgia is doing was evaluated highly among key energy sector players.**

**Almost seven in ten respondents believed that the current MoE will succeed in solving Georgian energy sector problems. Very few (5%) were pessimistic about MoE's potential for success.**

**However, a quarter of adult respondents did not share their opinion.**



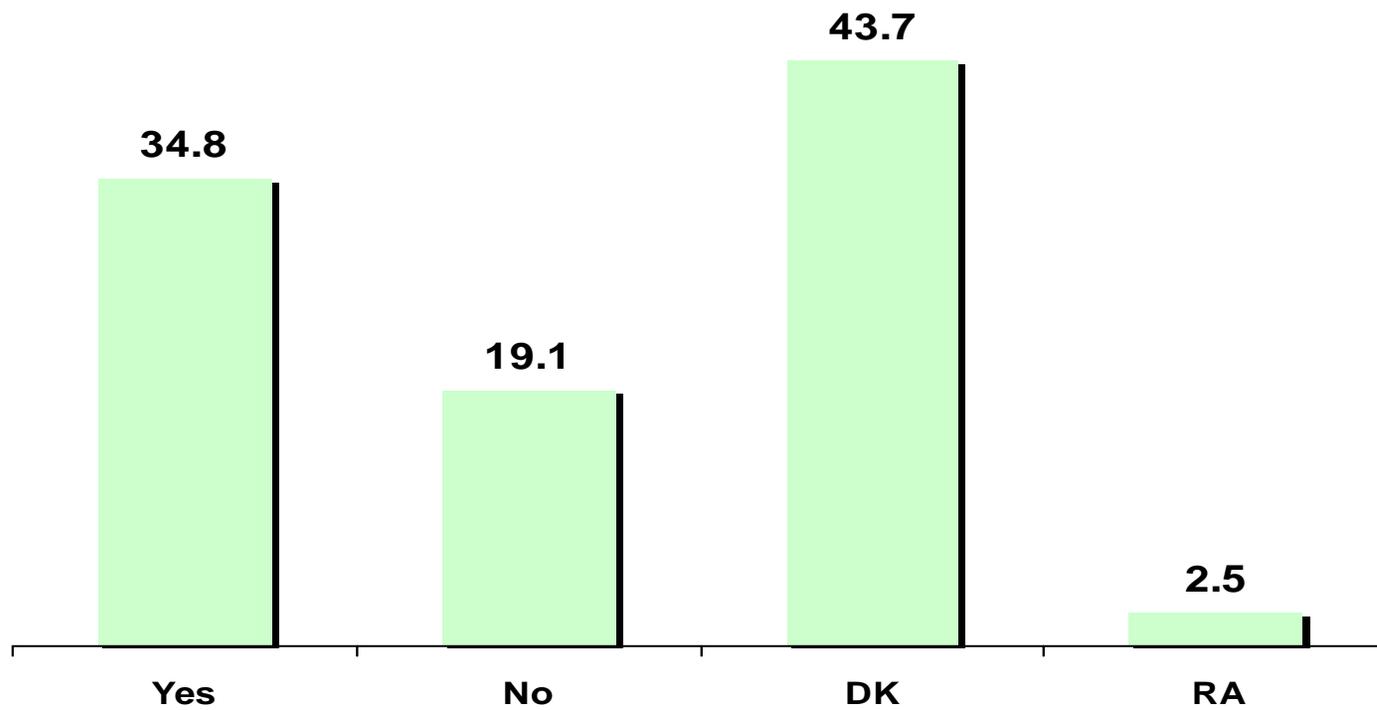
**USAID**  
FROM THE AMERICAN PEOPLE

# Corruption Assessment



**USAID**  
FROM THE AMERICAN PEOPLE

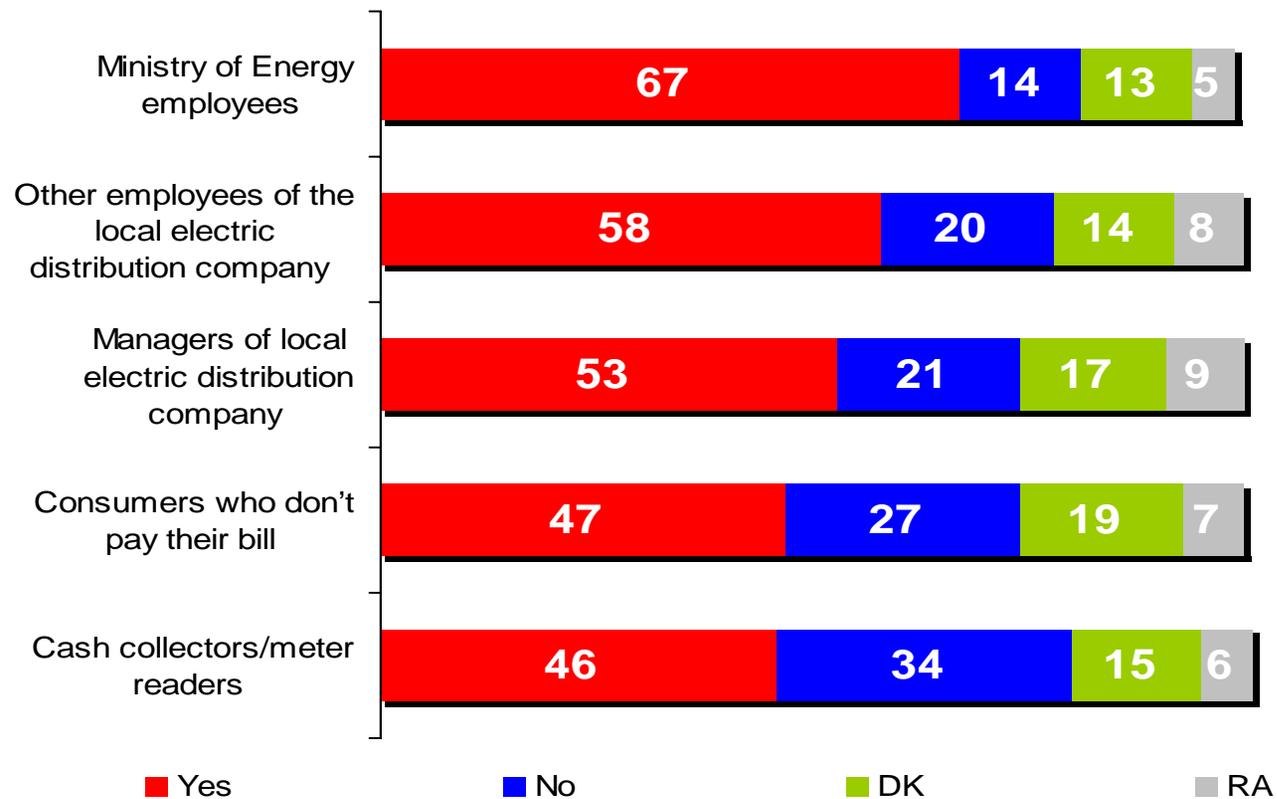
**CITIZEN: g48 Do you feel that there is corruption in the energy sector?**





**USAID**  
FROM THE AMERICAN PEOPLE

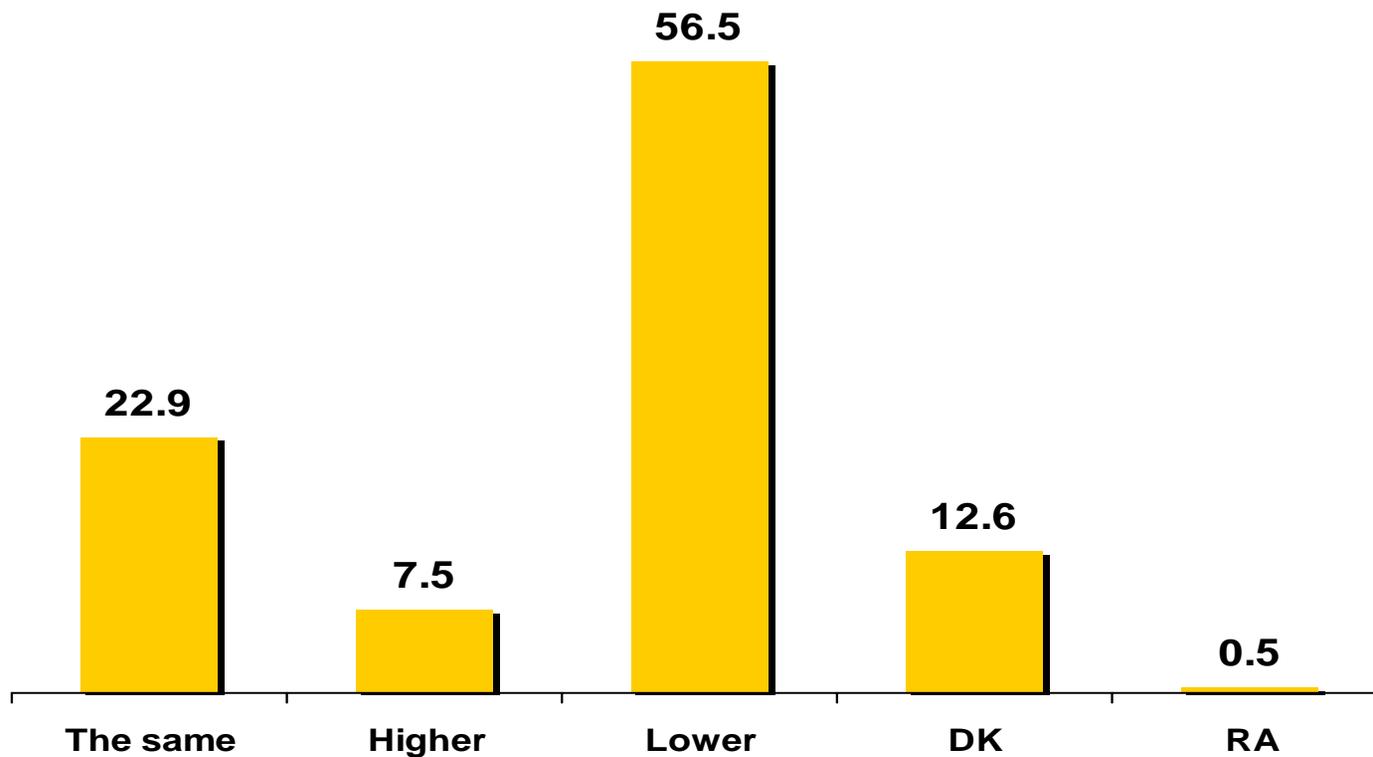
### **CITIZEN: g49 Who facilitates corruption in the energy sector (based on 348 responses)**





**USAID**  
FROM THE AMERICAN PEOPLE

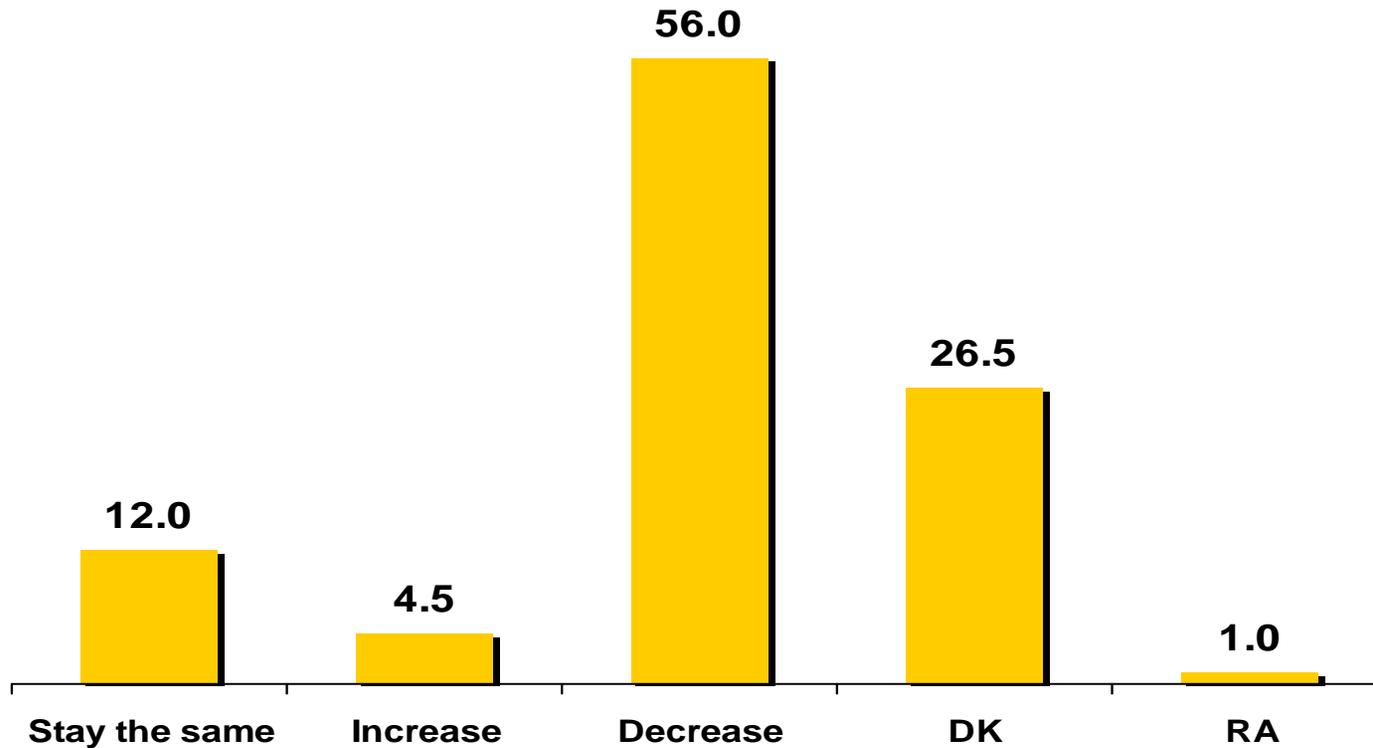
**CITIZEN: g50 Do you think the level of corruption in the energy sector this year is about the same, higher, or lower as in the past years?**





**USAID**  
FROM THE AMERICAN PEOPLE

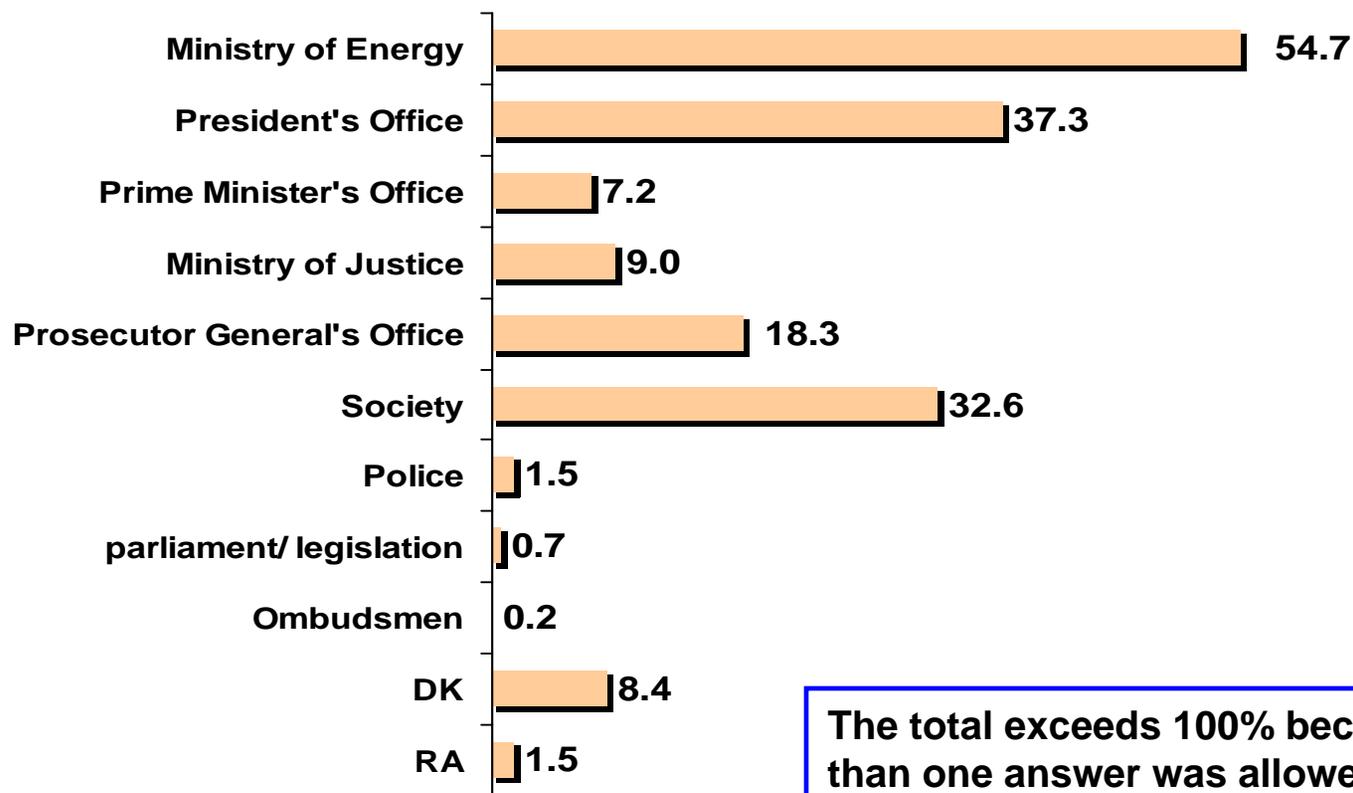
**CITIZEN: g51 Do you think the level of corruption in the energy sector will stay the same, increase or decrease in the future?**





**USAID**  
FROM THE AMERICAN PEOPLE

### CITIZEN: g52 Who do you think should lead the fight against corruption in the energy sector?

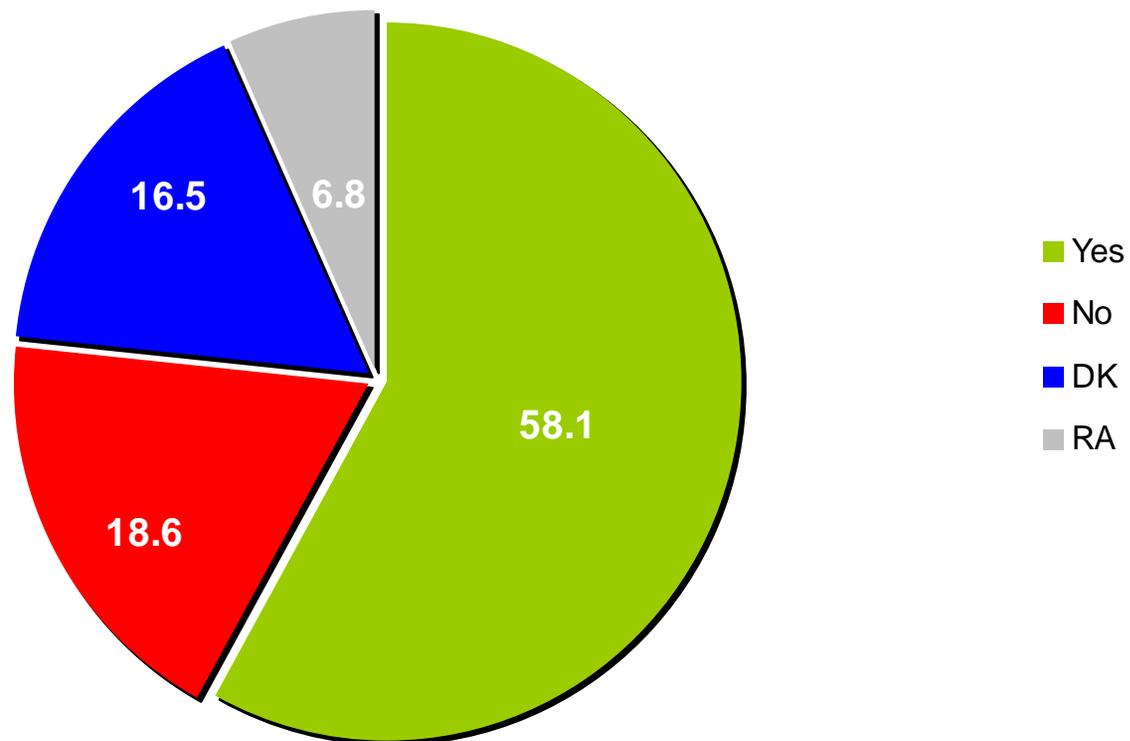


The total exceeds 100% because more than one answer was allowed



**USAID**  
FROM THE AMERICAN PEOPLE

**CITIZEN: g53 Do you believe your household should help fight against corruption in the energy sector?**





**USAID**  
FROM THE AMERICAN PEOPLE

## Key Findings: Corruption Assessment

**One third of respondents believed that the corruption in the energy sector still prevails, and one in five thought that the sector is corruption free, and a little more than two in five did not have a definite idea as whether or not corruption actually exists in the energy sector.**

**From those (35%) who said that corruption in energy sector still exists, the majority (68%) blamed MoE's employees for facilitating corruption in the energy sector. Managers and other employees of local electric distribution companies were blamed, (58% and 53% respectively).**

**Less than half of those surveyed (47%) considered that customers who don't pay their bill are responsible for adding to corruption in the energy sector. However, almost an identical number of respondents (46%) blamed cash payment bill collectors for contributing to various instances of corruption.**



**USAID**  
FROM THE AMERICAN PEOPLE

## Key Findings: Corruption Assessment (cont.)

**Majority (57%) of those who felt that currently corruption prevails in the energy sector, said that it has decreased compared to previous years. Less than every tenth (8%), said that corruption was comparatively higher than previous years, and nearly one quarter reported that the level of corruption had not changed over years.**

**The majority of respondents are anticipating a decrease in the level of corruption in the energy sector in future. Only 5% believed there would be an increase, and every tenth said that the corruption would stay the same.**

**The MoE was seen by the majority of those respondents who believed that corruption exists in the energy sector, that the MoE should lead the fight against corruption in energy sector. Presidents office followed with 33%. Every third believed in societies and ordinary people's power to lead the fight against corruption. The ministry of justices and prime minister's office was thought by a small number of respondents, (9 and 8% respectively).**

**Those who believed that their household should help fight against corruption are threefold more than those who would stay out from the fight, (58% and 19% respectively).**



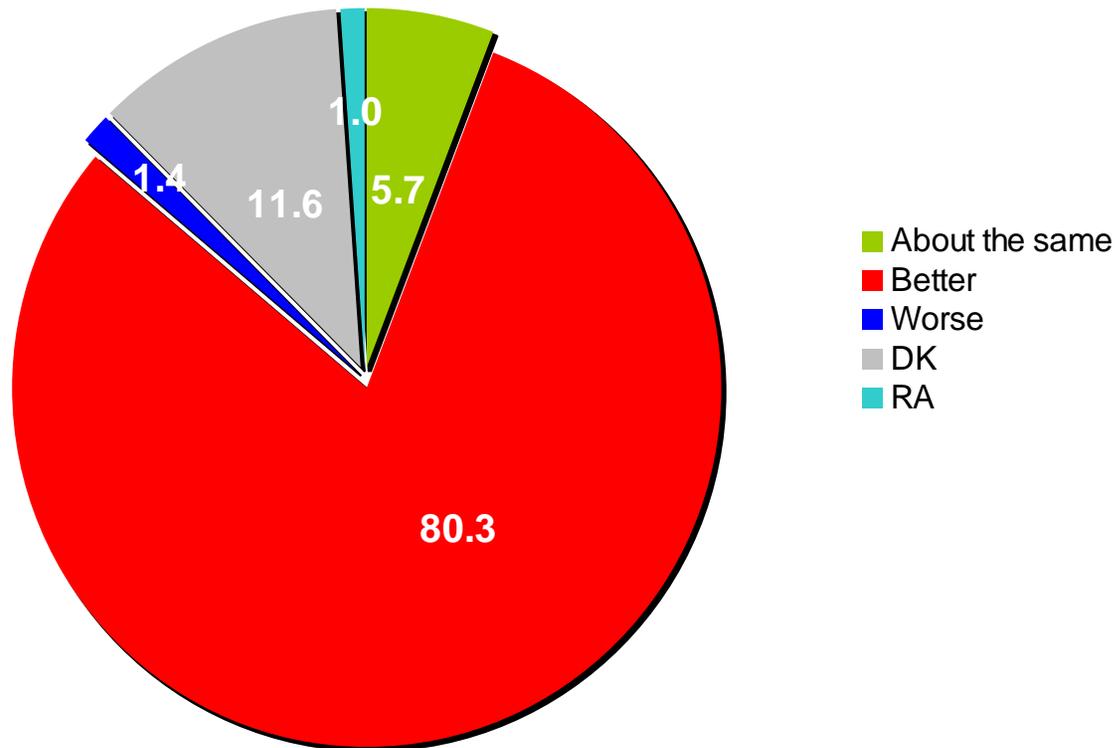
**USAID**  
FROM THE AMERICAN PEOPLE

## Overall Assessment of MoE



**USAID**  
FROM THE AMERICAN PEOPLE

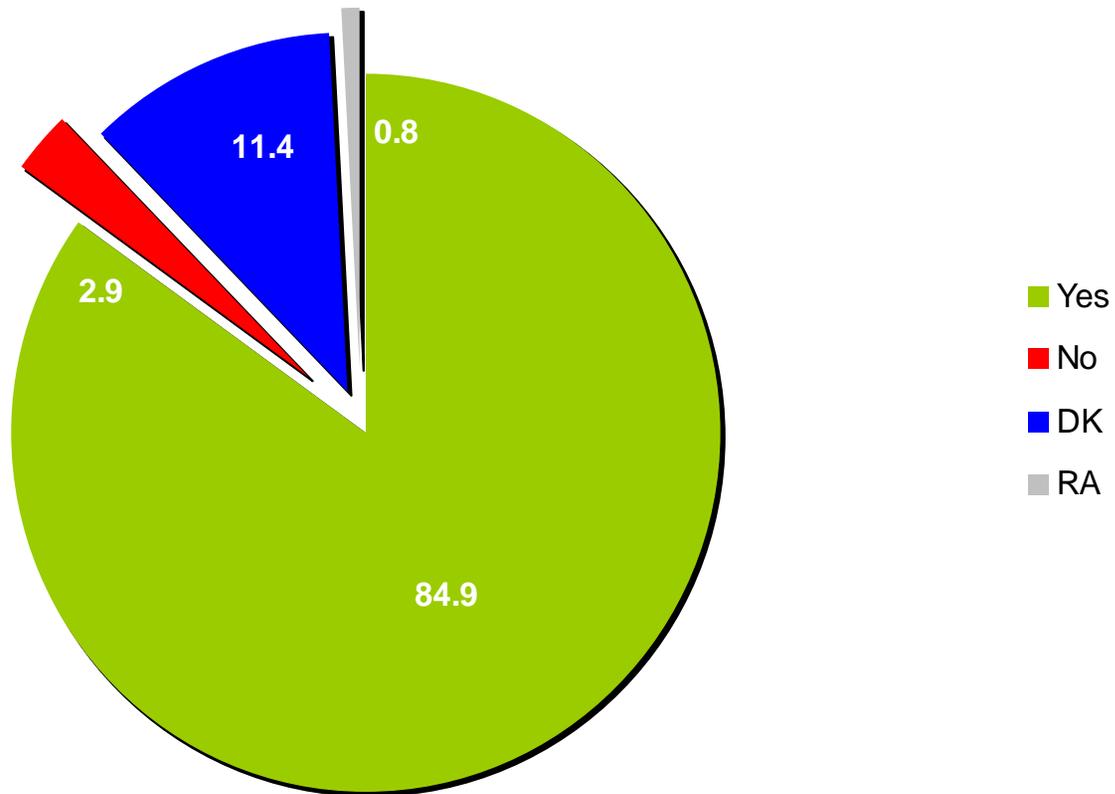
**CITIZEN: g54 Is the current Ministry of Energy performing about the same, better, or worse than the energy ministries in the past?**





**USAID**  
FROM THE AMERICAN PEOPLE

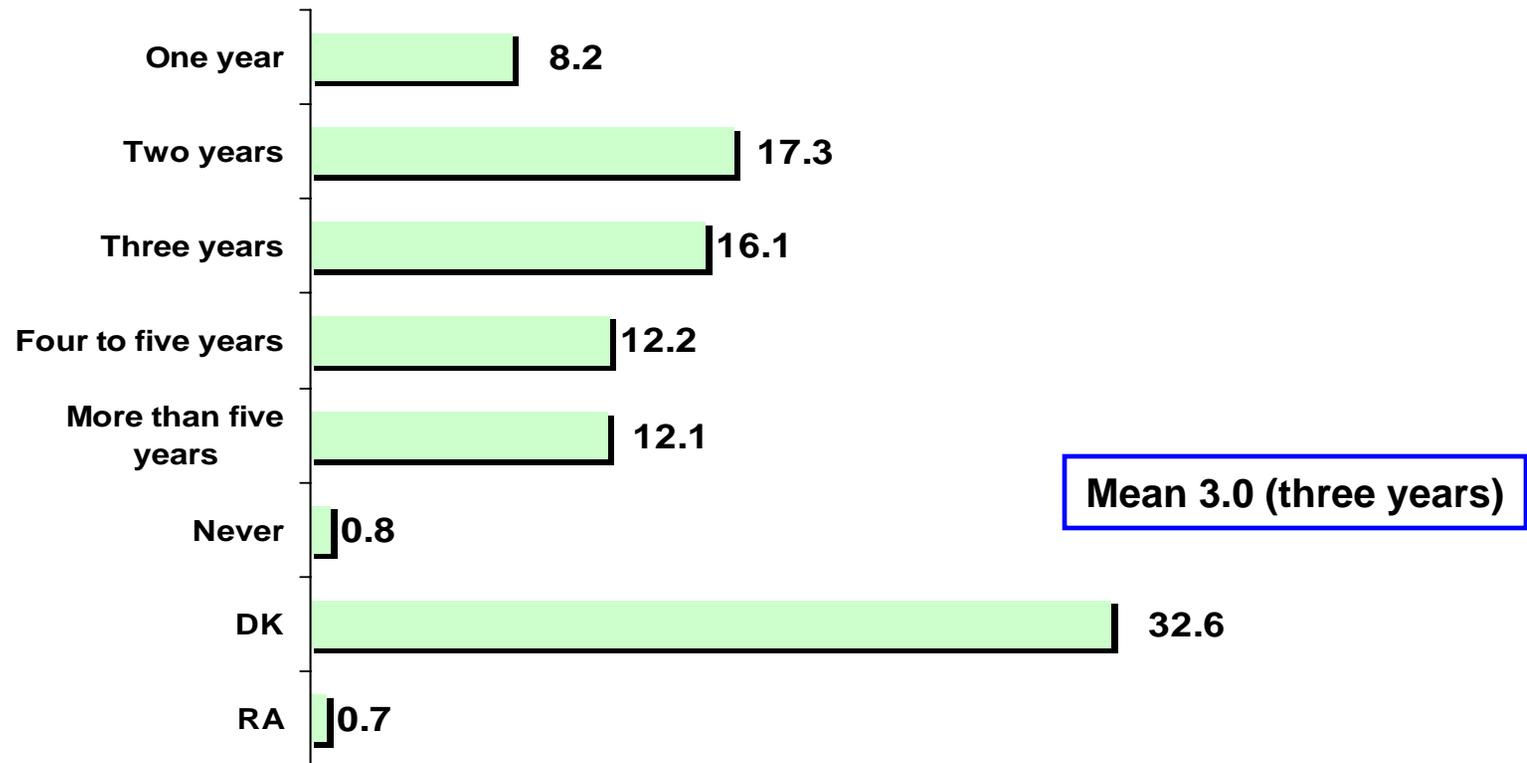
**CITIZEN: g55 Do you think the Ministry of Energy has the primary responsibility for solving the problems of the Georgian energy sector?**





**USAID**  
FROM THE AMERICAN PEOPLE

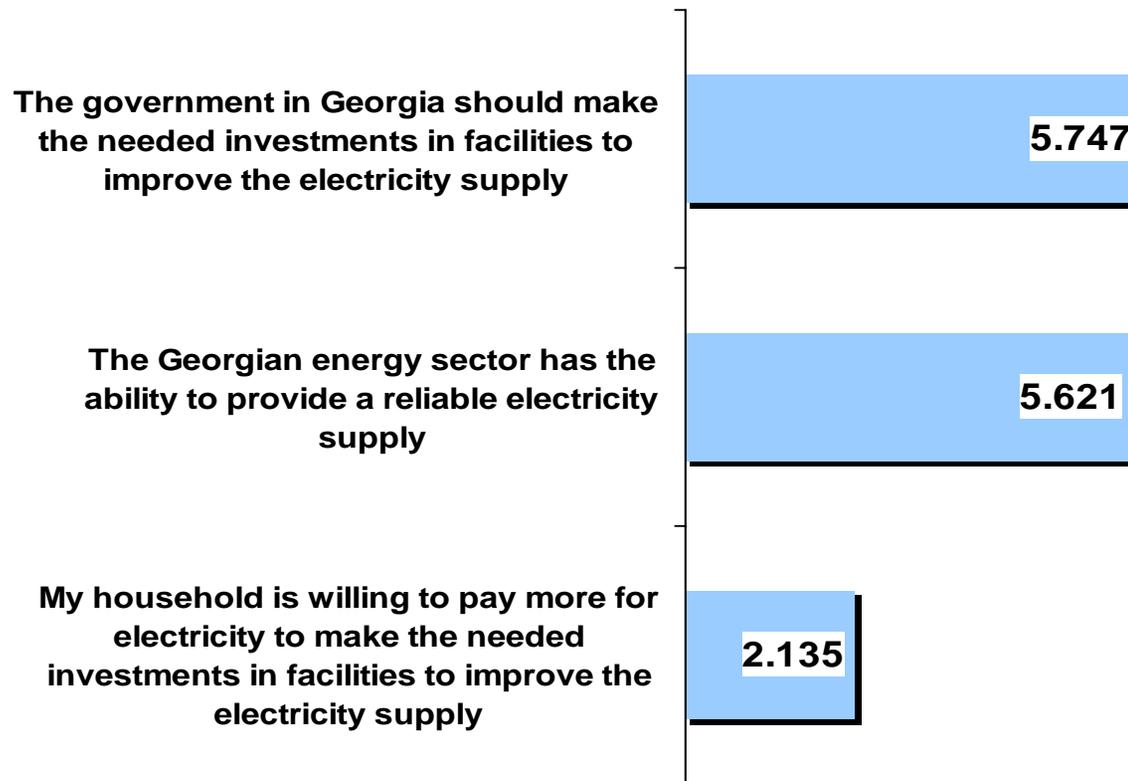
**CITIZEN: g56 In your opinion, about how long will it take for the overall electricity situation in Georgia to improve completely?**





**USAID**  
FROM THE AMERICAN PEOPLE

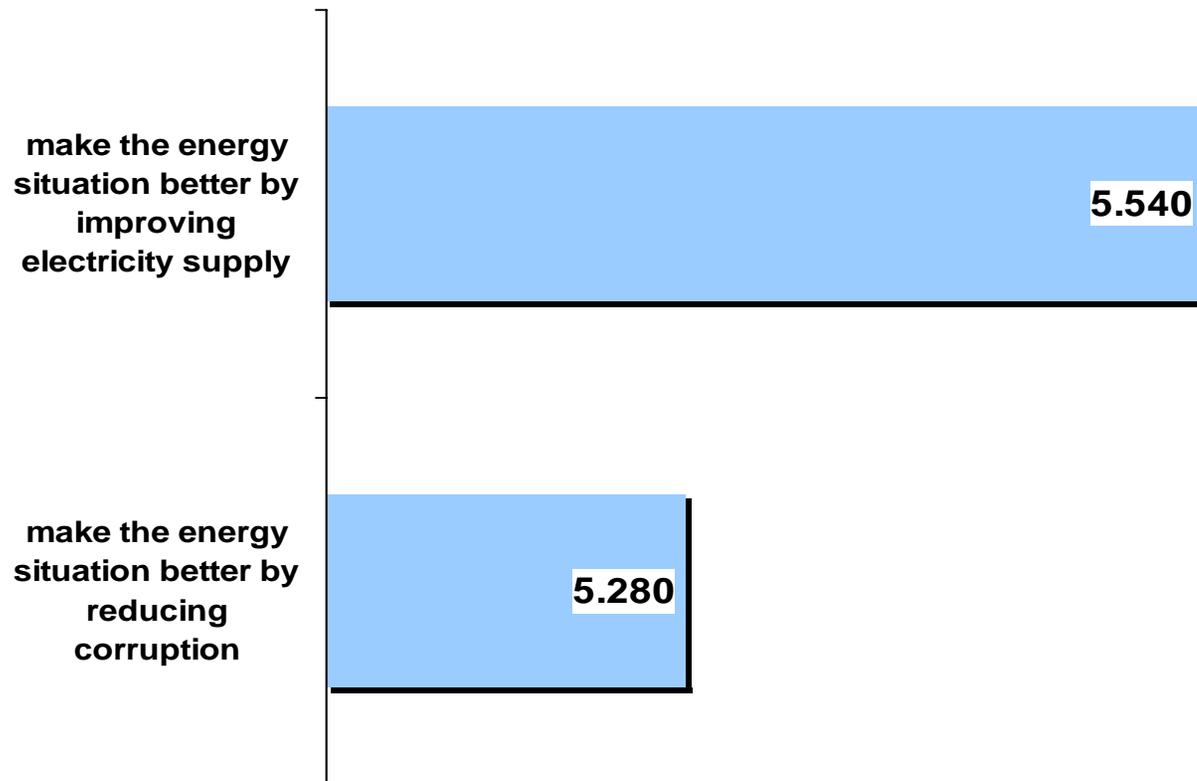
**CITIZEN: G.57 On a scale of 1 to 7, with 1 strongly disagree and 7 being strongly agree, please tell me how much you agree with each of the following statements**





**USAID**  
FROM THE AMERICAN PEOPLE

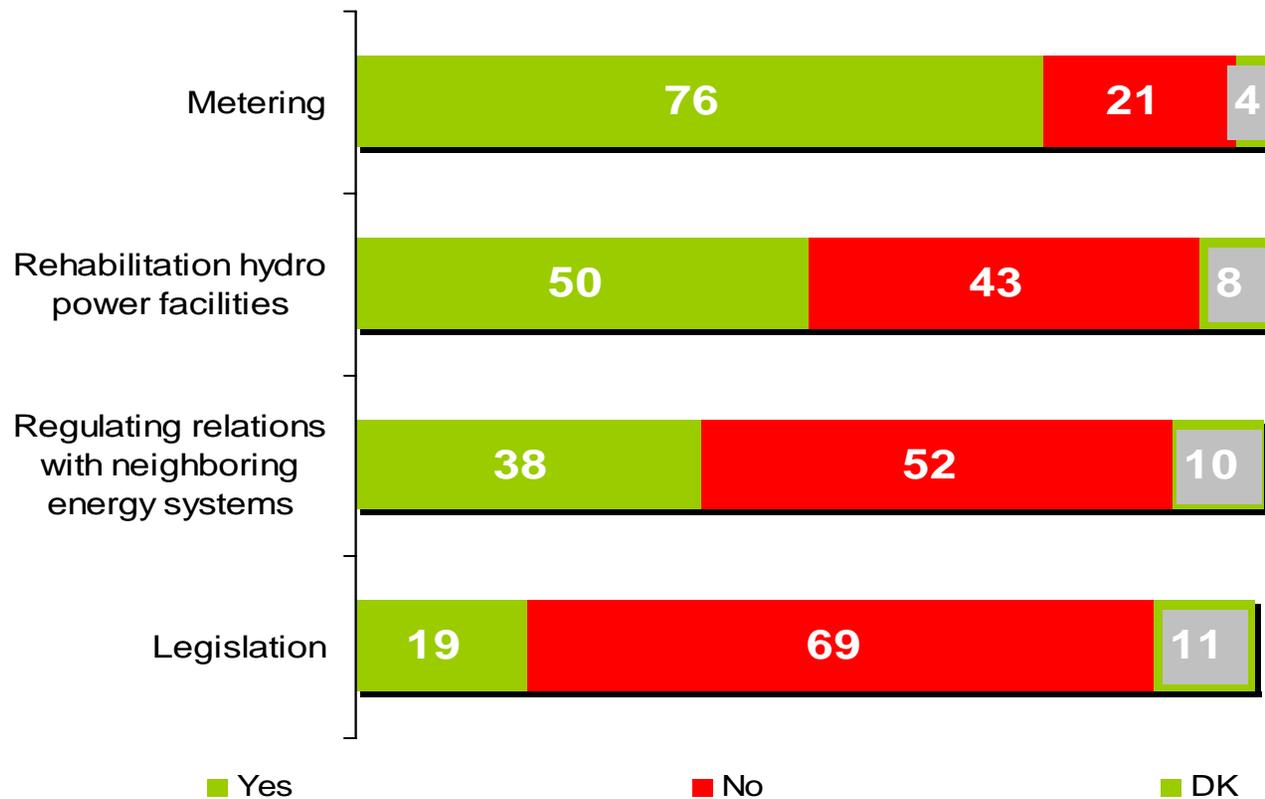
**CITIZEN: G58 On a scale of 1 to 7, with 1 being do not trust at all and 7 being completely trusted, how much do you trust the Ministry of Energy to . . . ?**





**USAID**  
FROM THE AMERICAN PEOPLE

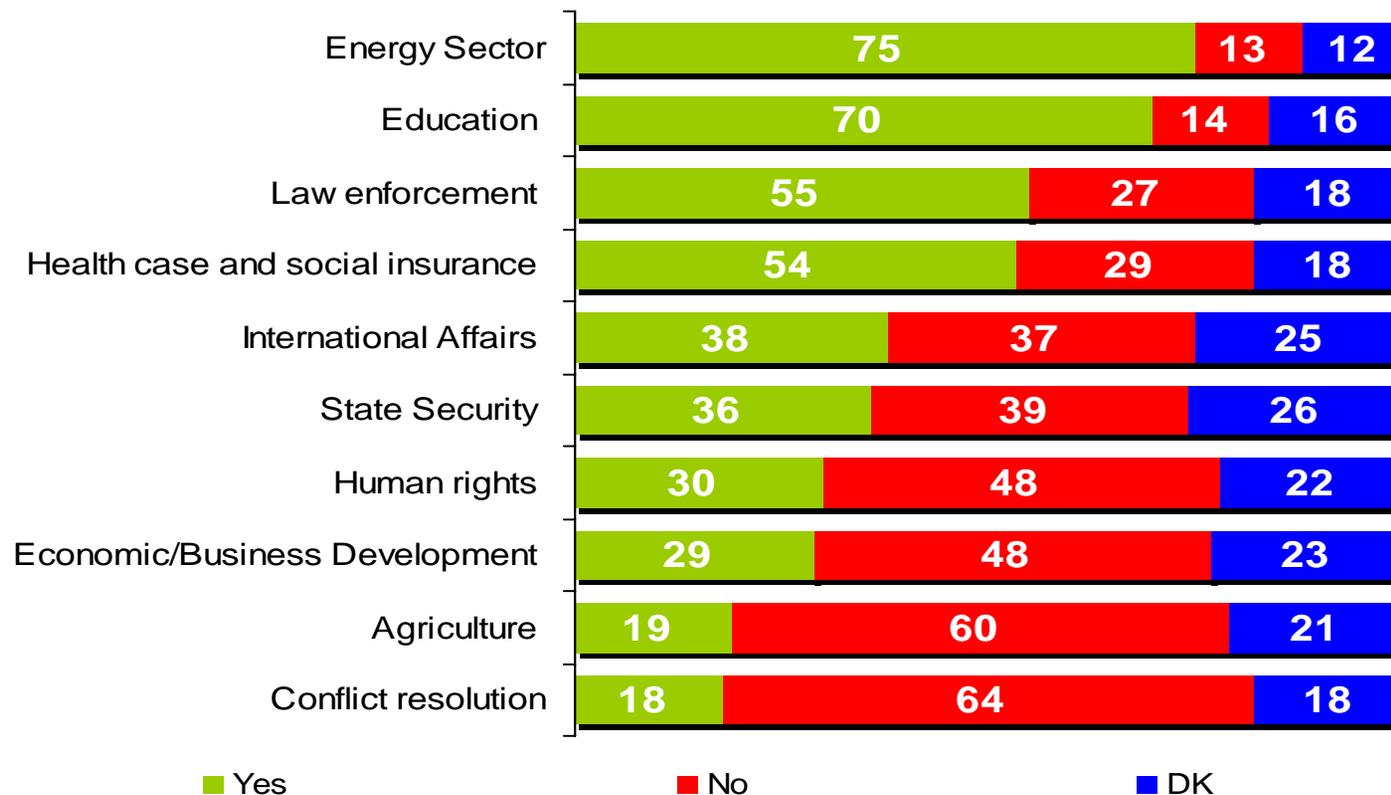
**CITIZEN: G59 Are you aware of any improvements that MoE is making or has made during the past 12 months regarding following issues?**





**USAID**  
FROM THE AMERICAN PEOPLE

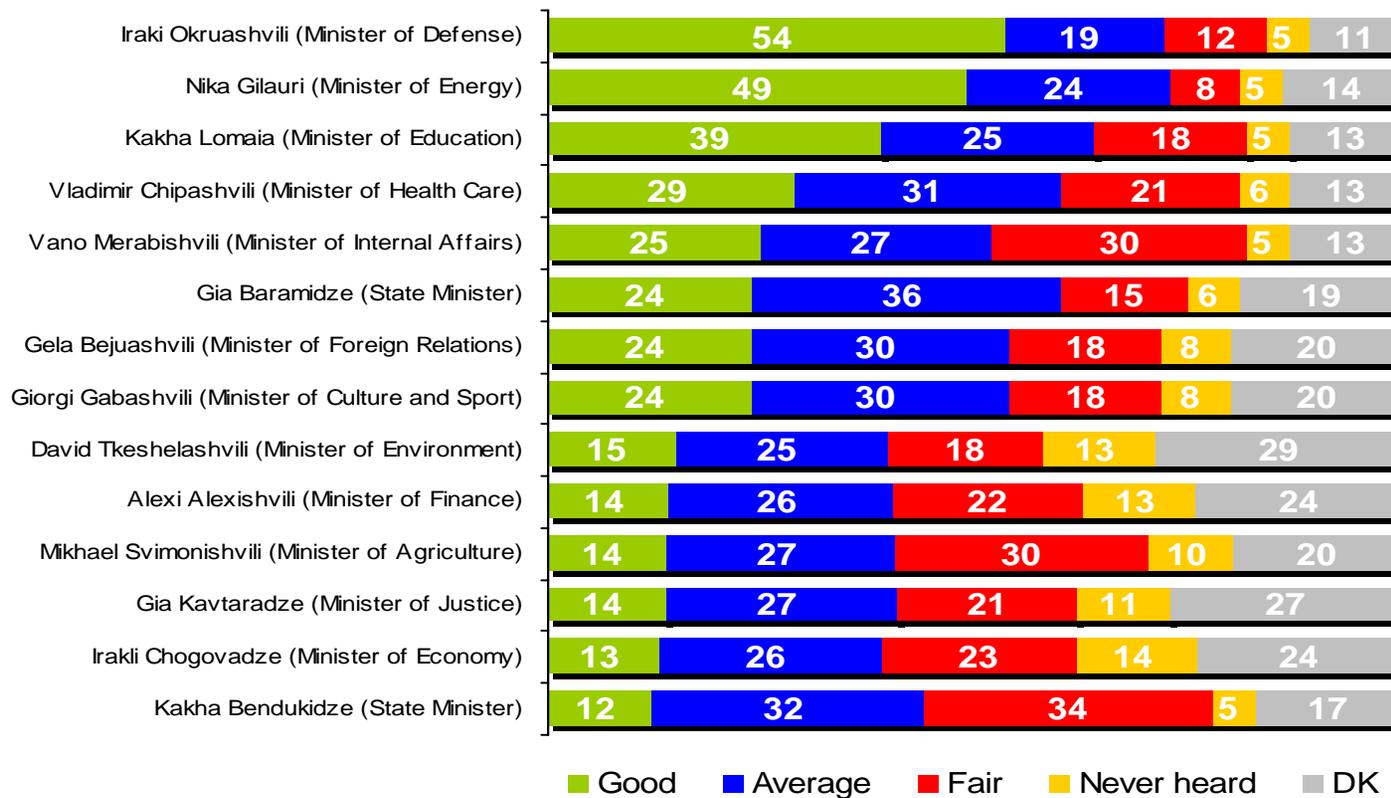
**CITIZEN: G60. Could you please specify the field/fields where the positive changes took place during last two years?**





**USAID**  
FROM THE AMERICAN PEOPLE

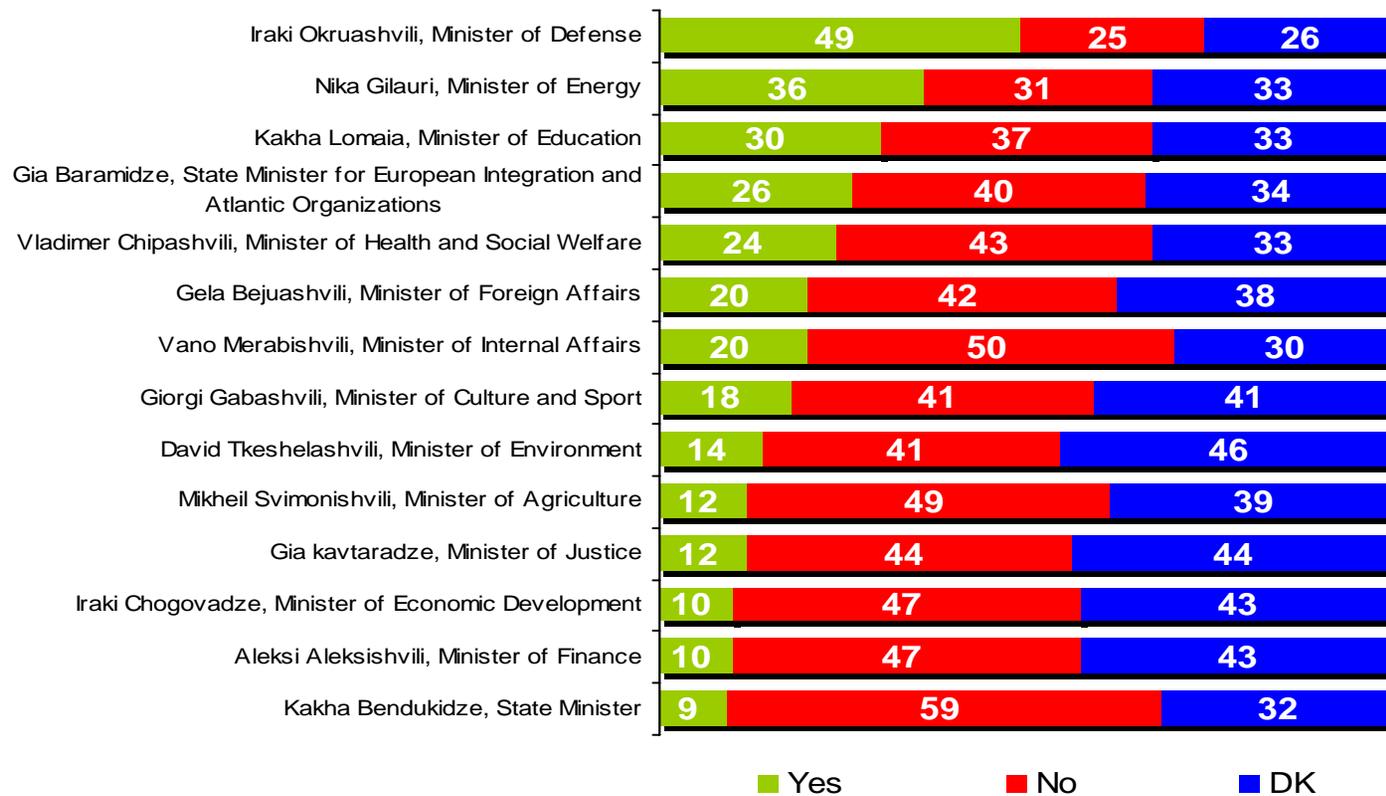
## CITIZEN: g61 In your opinion, how well do/did the following government officials cope with their responsibilities?





**USAID**  
FROM THE AMERICAN PEOPLE

## CITIZEN: g62 If it was your competence, which of the following Ministers would you appoint?





**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings: Overall Assessment of MoE**

**The large majority of citizens (80%) assessed the current MoE' job as better when compared to previous energy ministries. A substantially smaller number of surveyed respondents (1.4%) thought that predecessors in this position had actually done their jobs more effectively.**

**85% of adult respondents believed that the Ministry of Energy was primary responsibility for resolving problems facing the Georgian energy sector.**

**Respondents generally thought that 3 years would be necessary to improve the overall electricity situation. However, every fourth respondent thought that 2 years would be enough to achieve this objective. An equal number of considered that it would take four to five years or more to complete improvements in the electricity supply.**



**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings: Overall Assessment of MoE (cont.)**

**The vast majority of respondents are confident that the Georgian government will make the needed investments and improvements in facilities to enhance the electricity supply. However, not the same willingness was exhibited when asked whether or not respondent's households would be willing to pay more for consumed electricity to bring about the needed investments in electricity supplying facilities. Moreover, most respondents were confident that the Georgian energy sector was able to provide a reliable and dependable electricity supply.**

**Collectively, improving electricity supply and reducing corruption is comprehended as being an essential step in improving the energy situation. Moreover, three out of five respondents were trustful that the MoE will take necessary steps to improve supplies of electricity. A lesser percentage, however, still the majority of respondents, trusted the MoE in terms of electricity supplies and reducing corruption.**



**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings: Overall Assessment of MoE (cont.)**

**The vast majority of citizens (75%) were aware of improvements in the metering processing and half of those surveyed were aware of rehabilitation of hydropower facilities. Two in five were aware of improvements in regulatory relations with neighboring energy systems in nearby countries. However, even when compared to other relatively substantial improvements in other various spheres, only every fifth citizen had heard about improvements in legislation in the sphere of metering and hydropower stations.**

**TV was considered in the majority of instances as being the main sources for obtaining information about various improvements, newspapers ranked next in the second position. Local community leaders and employees of distribution companies served as a medium for another source of information (11% and 22% respectively) when it came to improving metering systems.**



**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings: Overall Assessment of MoE (cont.)**

**A large majority of citizens thought the most successful improvements had occurred in the spheres of energy and education (75% and 70% respectively). However, half of the adult population cited improvements having transpired in law enforcement, health care and social insurance. Two out of every 5 respondents noted perceived improvements in international affairs, and a lesser percentage named improvements in state security. However, in spite of the overall tendency, the majority of respondents considered that no improvements had occurred over the last two years in either the field of agriculture or in the area of conflict resolution, (60% and 64% respectively). Moreover, almost half of respondents (48%) could not indicate that any improvements had taken place over the last two years in Georgian economic and business development, which includes macro-economic development and growth in the agricultural sector.**

**In terms of the highest job ratings, Irakli Okruashvili, the former Georgian Minister of Defense and Economic Minister, and Nika Gilauri, Georgian Minister of Energy appeared to have the highest job approval rating, as confirmed by the majority of respondents, among all listed ministers.**



**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings: Overall Assessment of MoE (cont.)**

**Half of surveyed assessed as “good” or “average” jobs of following person in charge of key ministries: Education, Health care and social protection, Internal Affairs, and state minister, such as Mr. Giorgi Baramidze, NATO and Atlantic integration, and others (foreign relations, culture and sport, etc).**

**Half of the respondents indicate that provided if it were within their competence, they would again appoint Mr. Irakli Okruashvili as the Georgian Minister of Defense. Over one third (36%) of respondents said that they would reappoint Mr. Gilauri under the same circumstances, provided that the decision was within their authority, while just less than one third (31%) would not.**



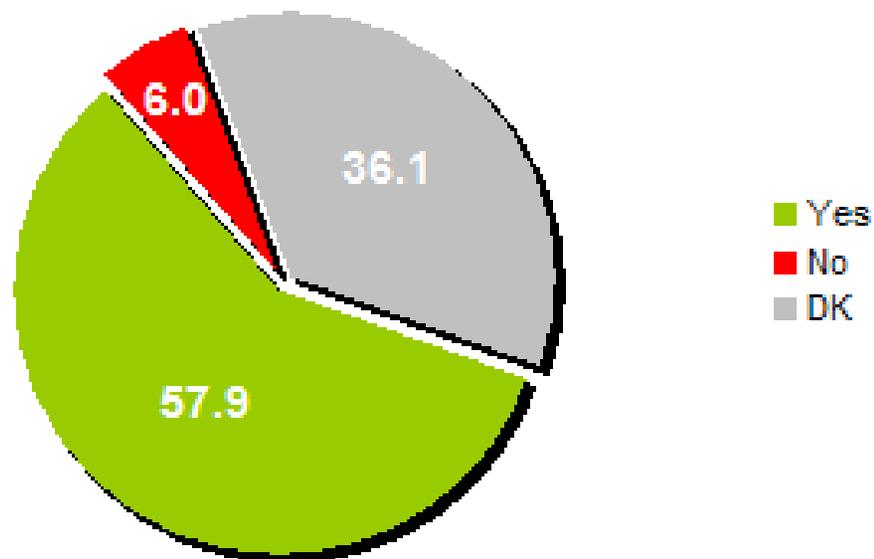
**USAID**  
FROM THE AMERICAN PEOPLE

# Khudoni HPP



**USAID**  
FROM THE AMERICAN PEOPLE

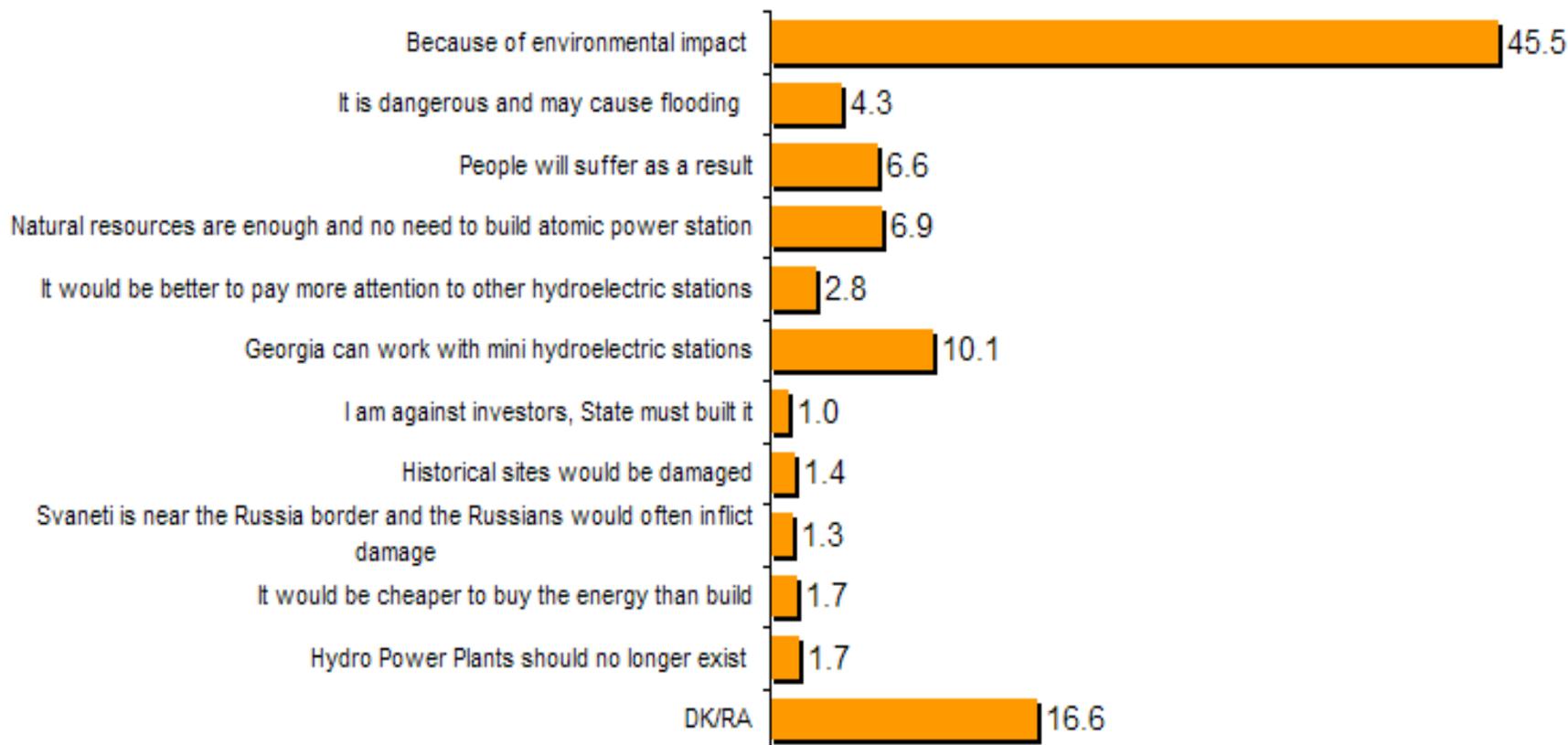
**CITIZEN: h63 In your opinion should the Government resume construction of the Khudoni hydro power plant?**





**USAID**  
FROM THE AMERICAN PEOPLE

### CITIZEN: h64.1 Could you specify why not?





**USAID**  
FROM THE AMERICAN PEOPLE

## Key Findings: Khudoni HPP

The majority of respondents would favor the construction of the Khudoni hydroelectric power plant, provided that the government should decide to resume construction, and only 6% of respondents would be opposed to this idea. However, just over one third could not exhibit their opinion one way or the other. Among those who would oppose the reconstruction of the Khudoni project, various main reasons named included possible environmental impact, and that “Georgia can work with mini hydroelectric stations.”



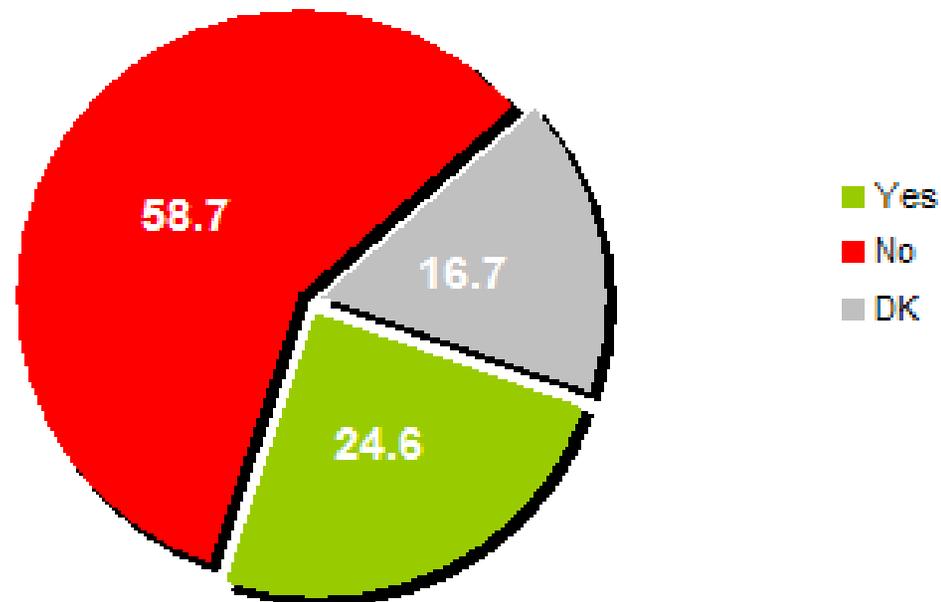
**USAID**  
FROM THE AMERICAN PEOPLE

# Information on Energy Sector



**USAID**  
FROM THE AMERICAN PEOPLE

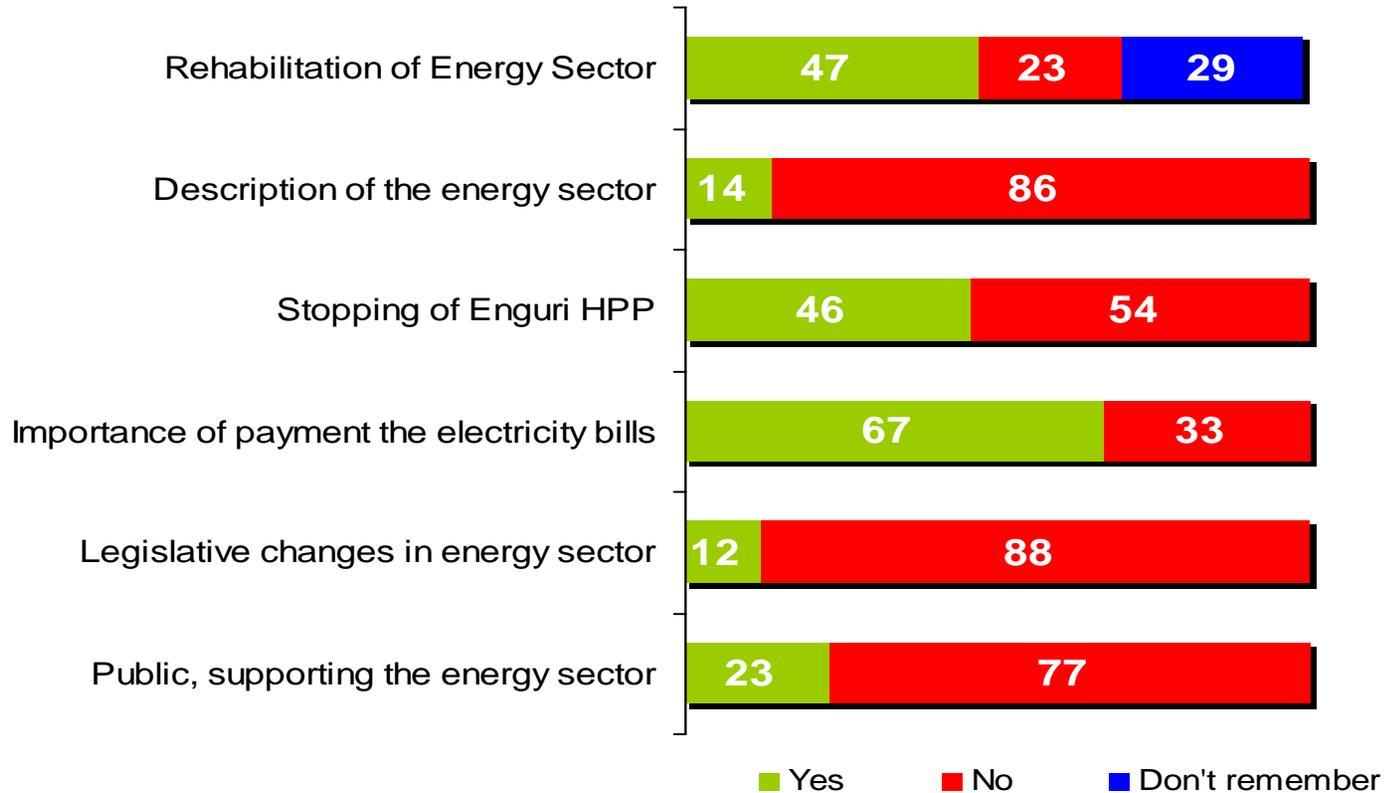
**CITIZEN: i65** Have you seen any TV advertising on energy sector during the last one and a half years?





**USAID**  
FROM THE AMERICAN PEOPLE

### CITIZEN: i66 Content of mentioned TV advertisement





**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings: Information on Energy Sector**

**Majority of respondents could not recall seeing any TV advertising about the energy sector during the last one and a half years. Those who did get TV exposure to commercials represented 25% of respondents.**

**The importance of paying electricity bills was considered the main content of any mentioned TV advertisement.**

**Informational advertisements about the rehabilitation of the energy sector and halting of the Enguri HHP were recalled by plurality of respondents, (47% and 46% respectively).**



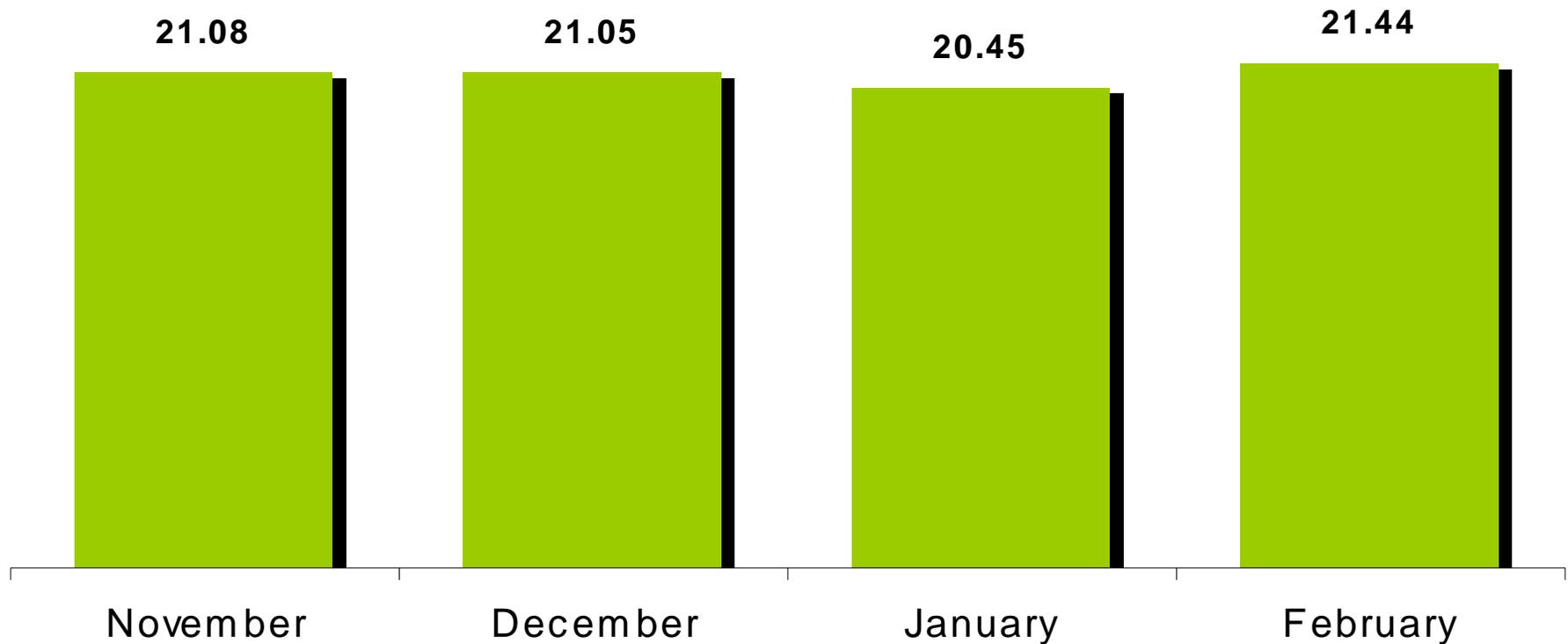
**USAID**  
FROM THE AMERICAN PEOPLE

# Opinions About Electricity supply



**USAID**  
FROM THE AMERICAN PEOPLE

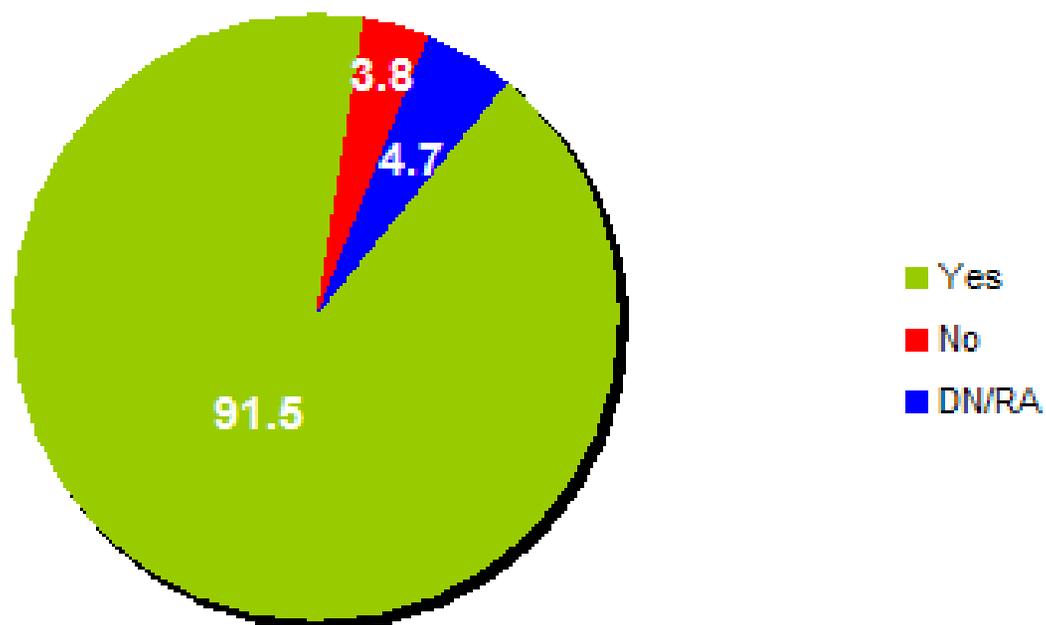
**CITIZEN: B8. Think just about the months of November, December, January and February, beyond the 2006 January energy crisis. About how many hours of electricity did your household receive per day in . . ?**





**USAID**  
FROM THE AMERICAN PEOPLE

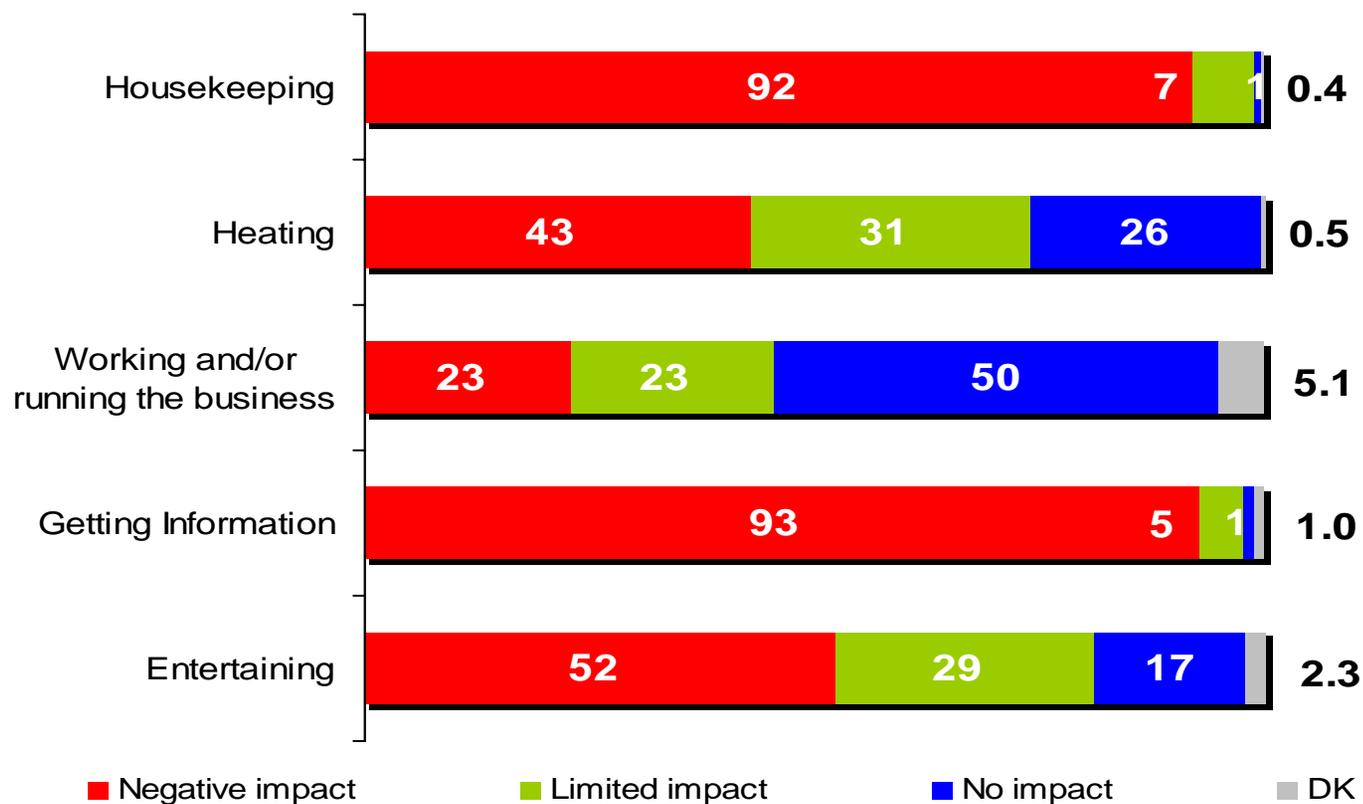
**CITIZEN: b9 Do the problems related to energy supply have negative impact on your life?**





**USAID**  
FROM THE AMERICAN PEOPLE

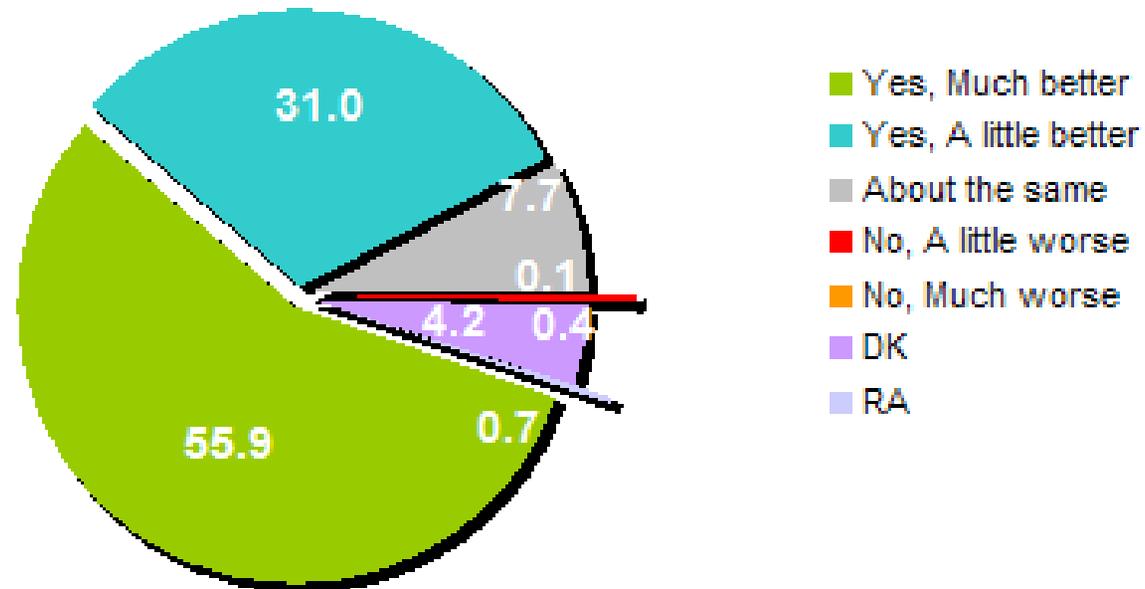
**CITIZEN: b10 please rate how much poor electricity supply impacts different aspects of your life.**





**USAID**  
FROM THE AMERICAN PEOPLE

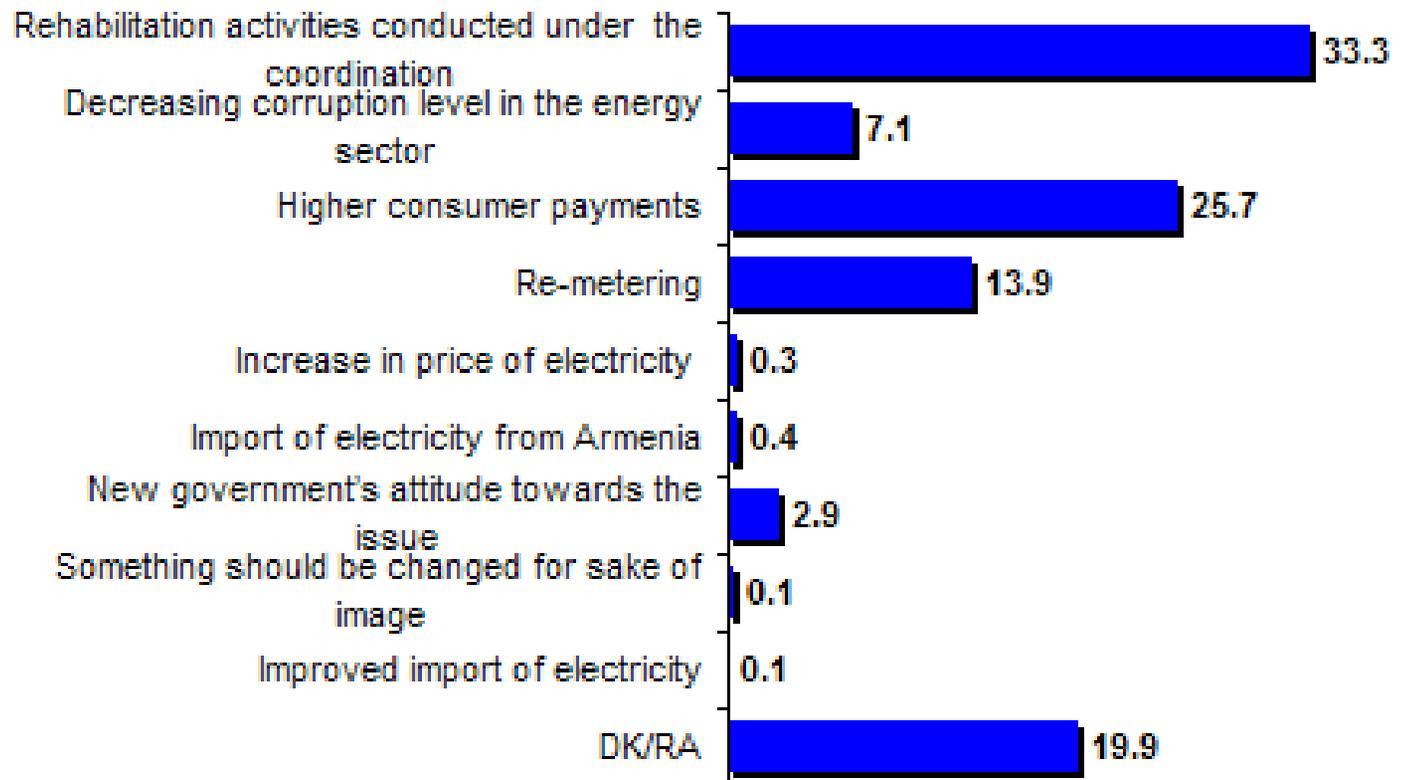
**CITIZEN: b11 Thinking just about the months of December, January, and February of 2005-2006 winter, how was your electricity supply compared to the previous 2004-2005 winter season?**





**USAID**  
FROM THE AMERICAN PEOPLE

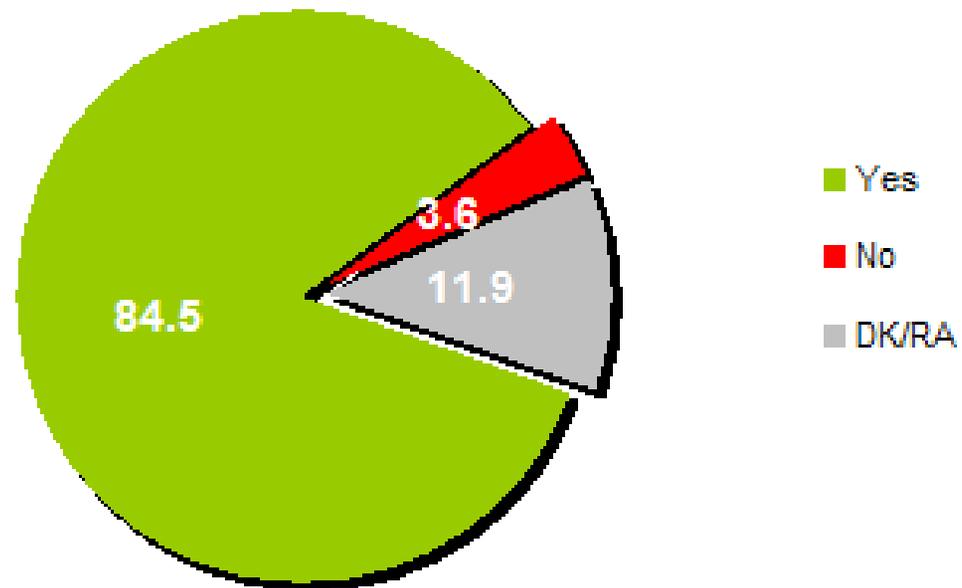
### CITIZEN: b12.1 If Yes, why?





**USAID**  
FROM THE AMERICAN PEOPLE

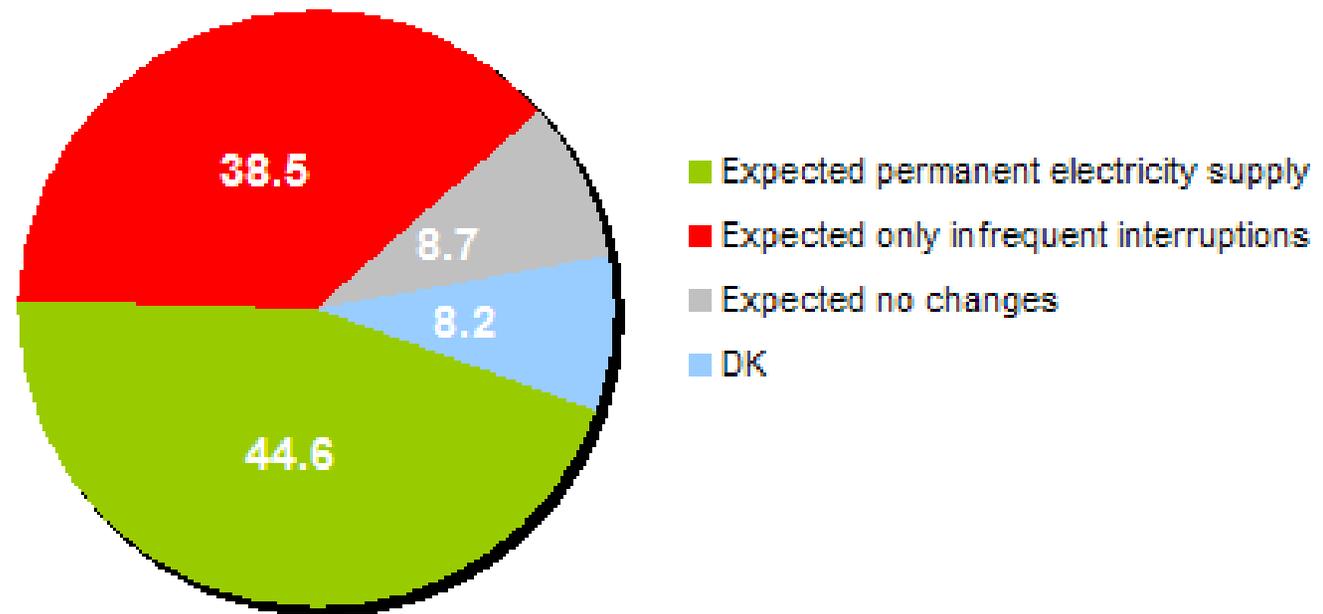
**CITIZEN: b14 Did your expectations about electricity supply come true this winter?**





**USAID**  
FROM THE AMERICAN PEOPLE

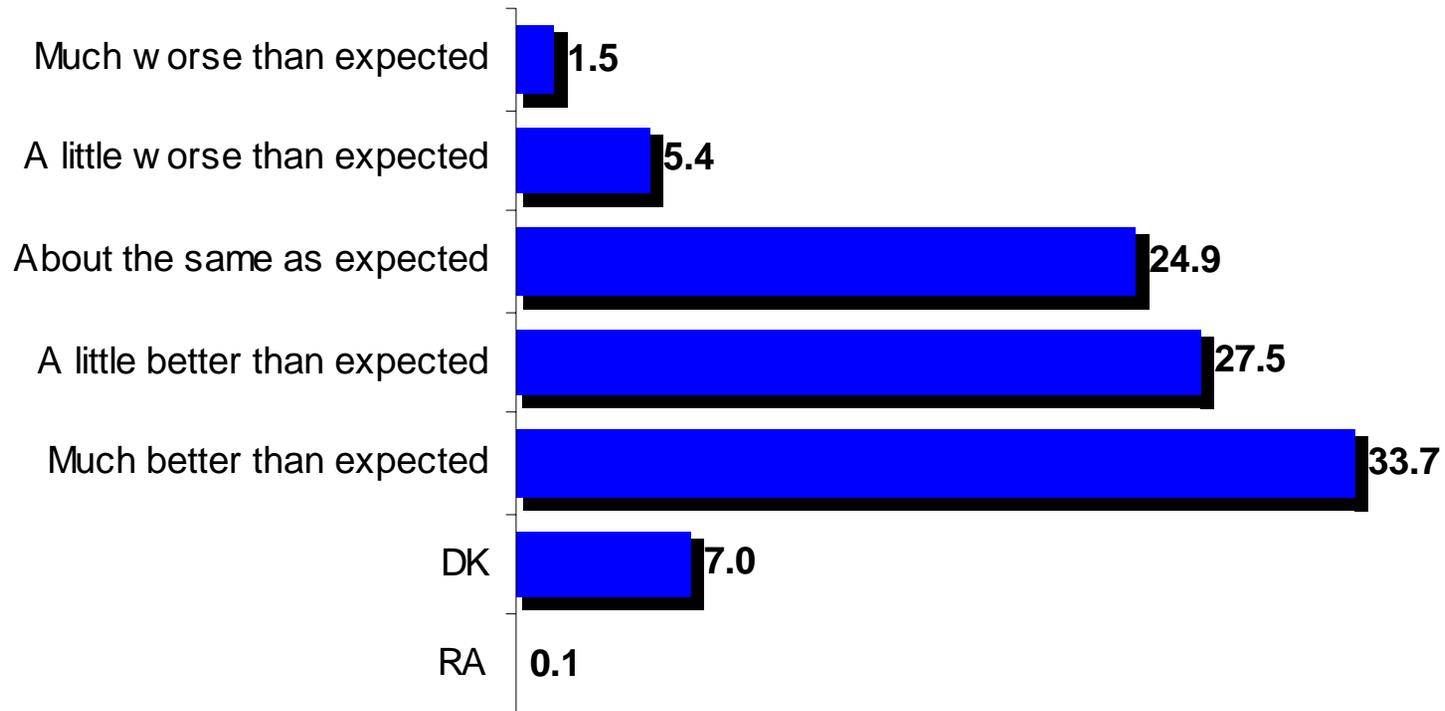
**CITIZEN: b15 What were your expectations about electricity supply in the winter of 2005-2006?**





**USAID**  
FROM THE AMERICAN PEOPLE

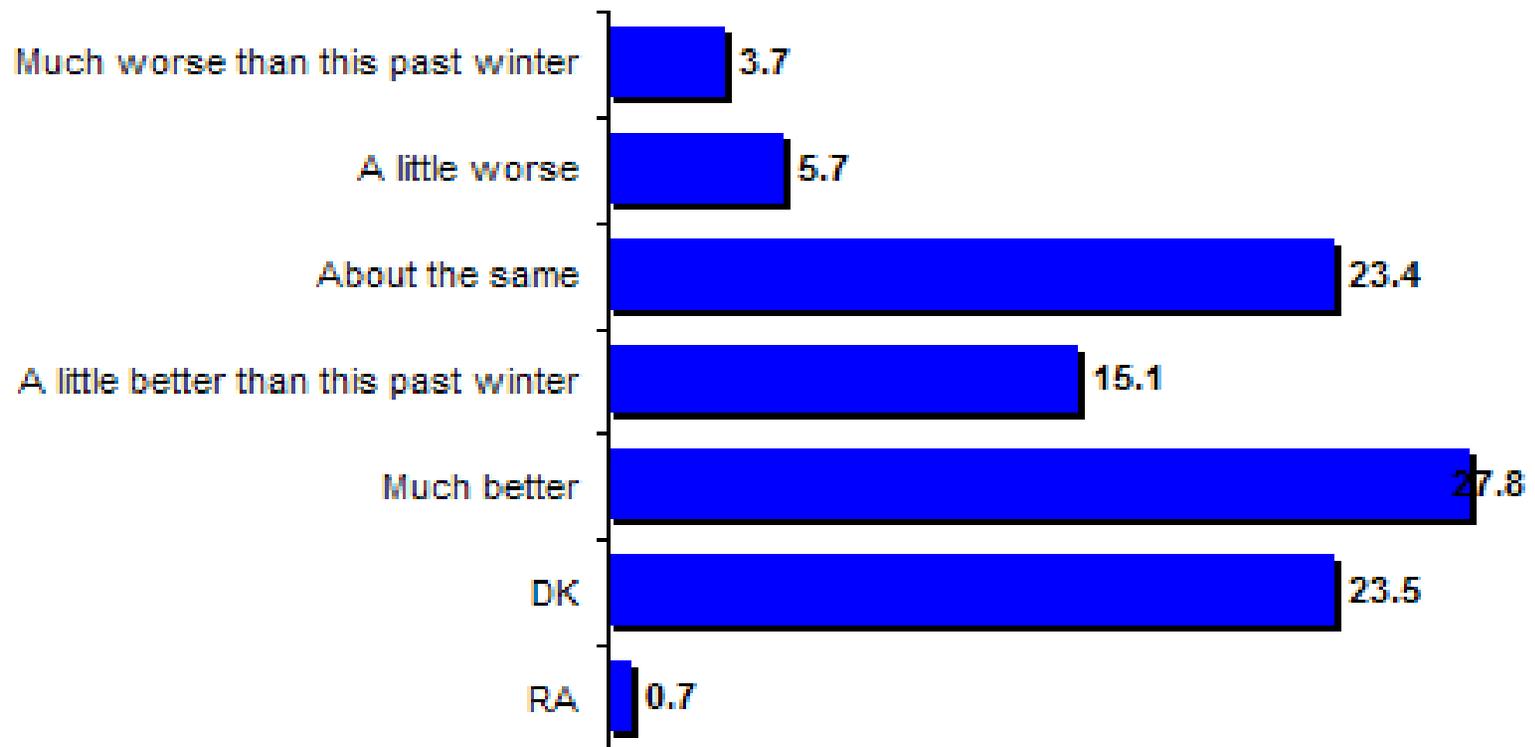
**CITIZEN: b16 Again, thinking about the months of December, January and February this past winter (beyond the energy crisis 2006), was the electricity supply your household received**





**USAID**  
FROM THE AMERICAN PEOPLE

### CITIZEN: b17 Next winter, do you think your household's electricity supply will be . . . ?





**USAID**  
FROM THE AMERICAN PEOPLE

## Key Findings – Opinions About Electricity supply

Most citizens were supplied with electricity for on average of 21 hours a day during the months of November and December of 2005. Relatively, the ensuing energy crises in January of 2006 was responsible for acute problems in the supply of electricity and as an average, respondents reported that they were supplied for 20.45 hours of electricity each day. In February of 2006, the situation did improve and the majority of households used a daily average of 21.44 hours electricity per day.

The vast majority, (nine out of ten respondents) reported that problems related to the supply of energy had negatively impacted their lives and lifestyles.

92% of respondents noted that the poor quality of their electricity supply had impacted housekeeping activities, and access to media and obtaining information. Half of respondents told that it impacted their level of entertainment. However, fewer (43%) indicated that it had a bearing on heating and even fewer, (23%) explained how it negatively influenced their ability to work or run a business.



**USAID**  
FROM THE AMERICAN PEOPLE

## Key Findings – Opinions About Electricity supply

Nonetheless, the overall Georgian population has witnessed substantial improvements in the supply of electricity over the past 2 years. Most of those surveyed assessed their households' electricity supply in 2005-2006 as being much better compared to their supplies during 2004-2005, and another third said that supply was a little better. Alternatively, less than 1% of adult respondents said that the supply of electricity was worse when compared to the previous winter.

Those who said that electricity supply had actually improved named the following reasons for this result: attributed to rehabilitation activities conducted under the coordination MoE (33%), improvements in collection revenues for consumed electricity (26%), improvement in re-metering processes (14%) and decreasing corruption in the energy sector (7%).



**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings – Opinions About Electricity supply**

**The large majority of respondents (85%) said that their expectations about the electricity supply were correct for this last winter. Only 4% of surveyed respondents were dissatisfied. However, 45% of adult citizens expected to have permanent supply of electricity during the winters of 2005-2006; another 39% expected only infrequent interruptions in the continuity of supply.**

**The plurality of respondents (43%) exhibited enthusiasm about the coming winter's household electricity supply. Every fourth believed that the situation will remain same, and nearly one in ten expressed a negative outlook about what the future holds in the upcoming winter.**



**USAID**  
FROM THE AMERICAN PEOPLE

# Metering



**USAID**  
FROM THE AMERICAN PEOPLE

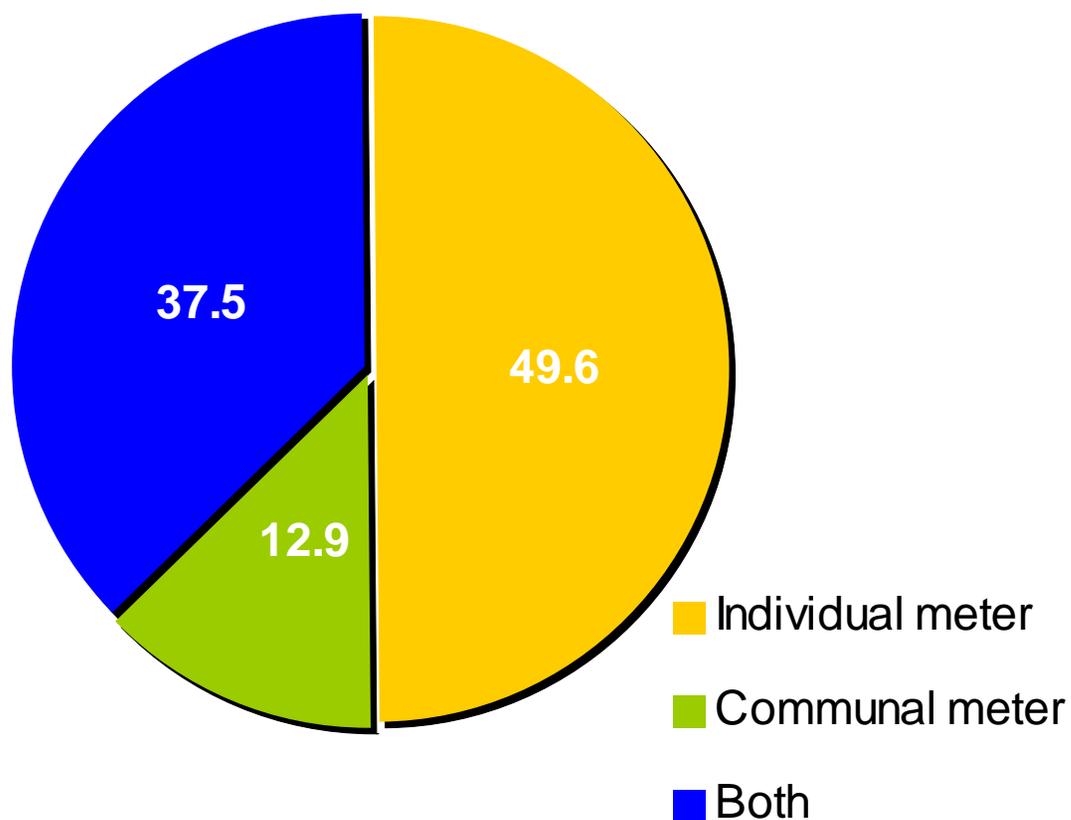
**CITIZEN: r23 Does your household have a working electric meter from your local distribution company?**





**USAID**  
FROM THE AMERICAN PEOPLE

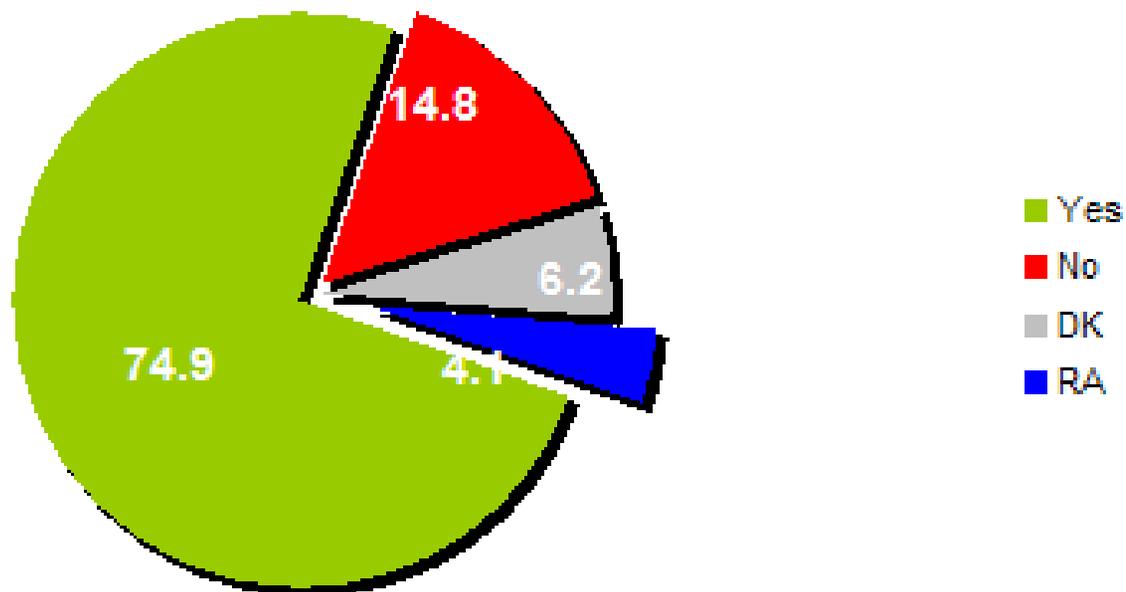
**CITIZEN: R24 Is this an individual meter for your household's use only or a communal meter that measures the use of multiple consumers?**





**USAID**  
FROM THE AMERICAN PEOPLE

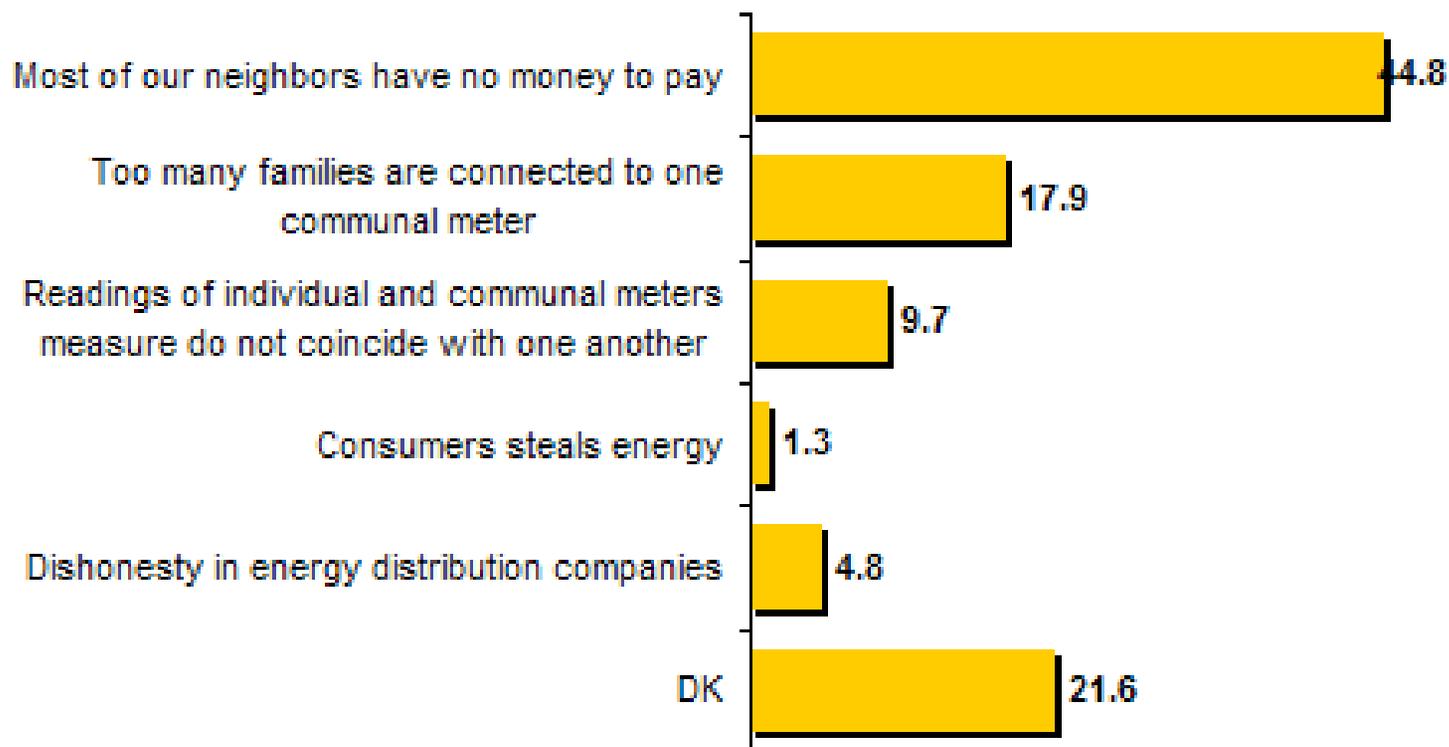
**CITIZEN: r25 Have you managed to organize collection of money for covering the amount, shown by your communal meter?**





**USAID**  
FROM THE AMERICAN PEOPLE

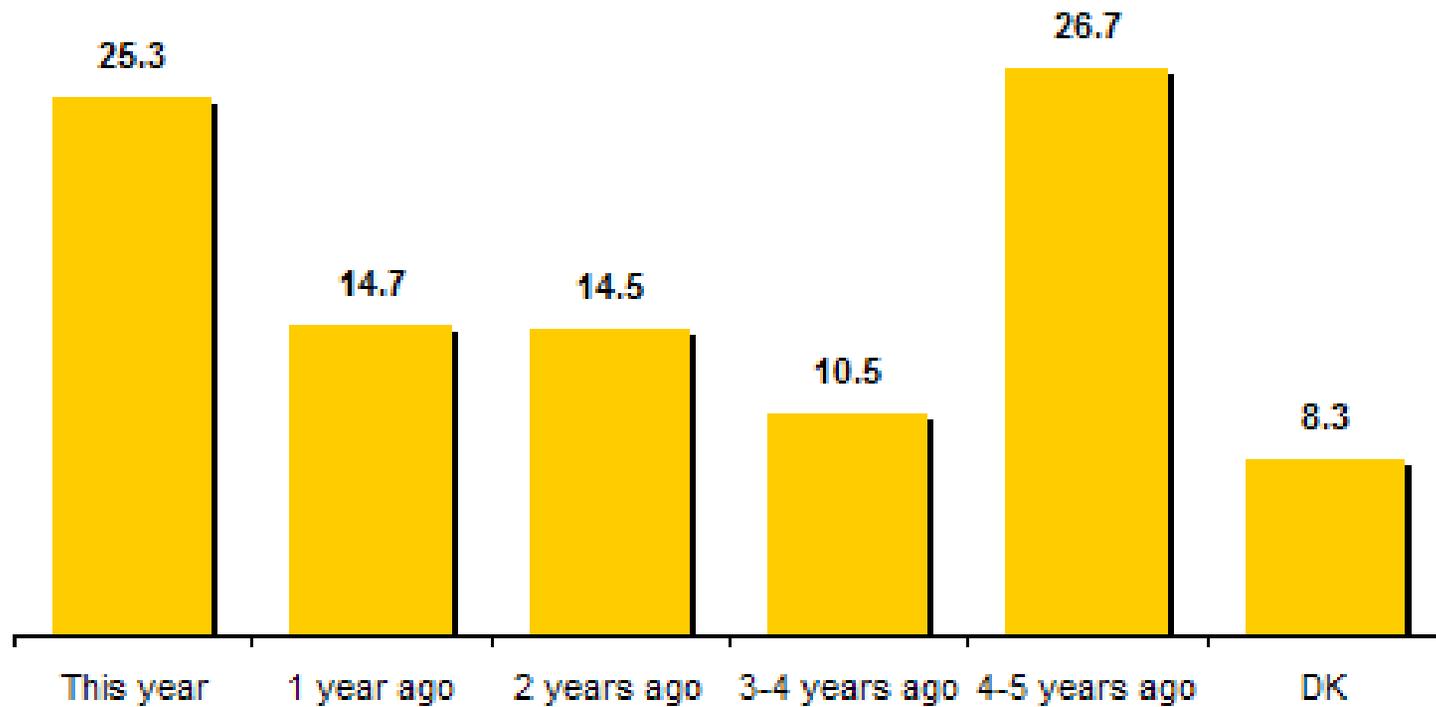
**CITIZEN: r26.1 In your opinion what is the reason why you/your community is not able to collect the needed amount?**





**USAID**  
FROM THE AMERICAN PEOPLE

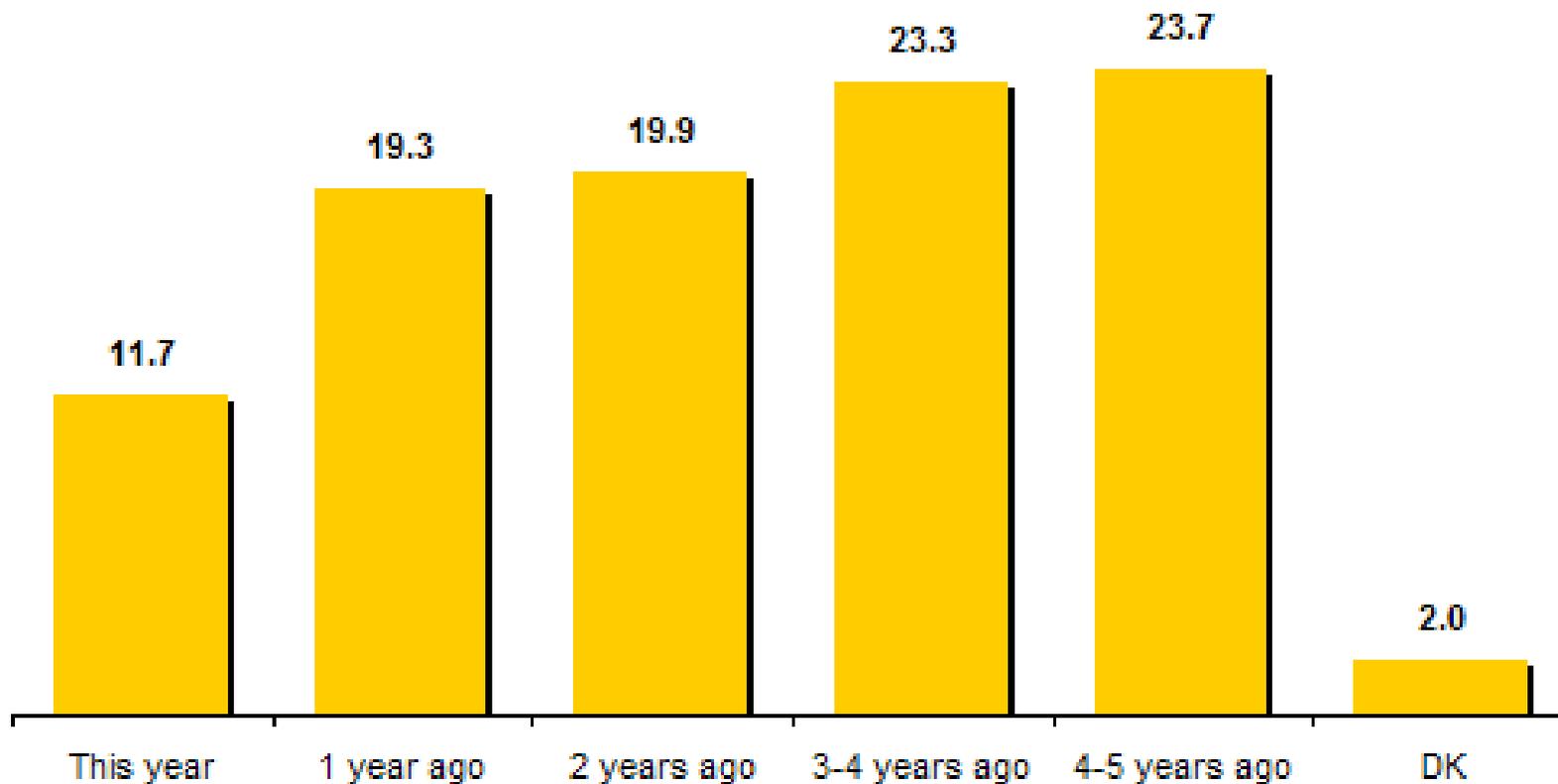
**CITIZEN: r27.2a When was your new individual meter installed?**





**USAID**  
FROM THE AMERICAN PEOPLE

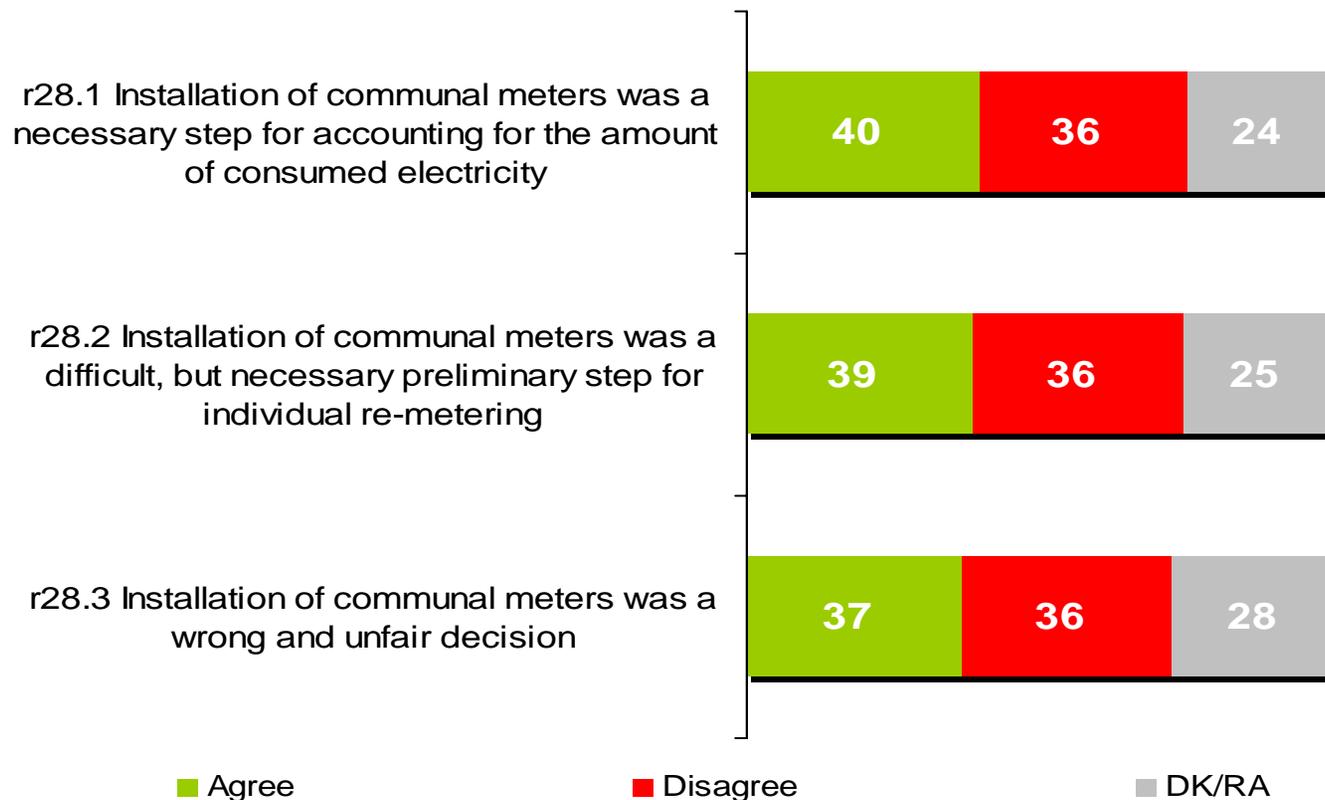
**CITIZEN: r27.2b When did energy distribution company  
move your meter outside.**





**USAID**  
FROM THE AMERICAN PEOPLE

### CITIZEN: R28. Which of the following statements do you agree with?





**USAID**  
FROM THE AMERICAN PEOPLE

## Key Findings – Metering

The absolute majority of respondent's household electric meters are operational. However, only half of surveyed respondents are connected to individual meters, whereas 13% have their electricity usage measured by communal meters, and another 38% have both communal and individual meters tracking household energy. A substantial majority, (75%) that have communal meters are able to manage between themselves various bill "collection methods" to gather enough money to cover charges determined by communal meters. However, 15% said that they were not able to accomplish this task in their communities. Many people don't have enough money to pay electricity bills for some of the neighbors. One in ten respondents were unaware of such routine issues (collecting money on regular basis and making sure that payment is made in a timely fashion).



**USAID**  
FROM THE AMERICAN PEOPLE

## Key Findings – Metering (cont.)

However, in spite of all efforts, the absence of physical cash among neighbors was named by 45% of respondents as being the main factor impacting the ability to pay for used electricity. Another factor mentioned by 18% of respondents was that frequently a large number of families connected to a single communal meters. This creates physical problems and difficulties with collecting and managing the mechanics of paying electricity bills.

Naturally there are disagreements and some confusion: One in ten among those not paying their bills was attributed to discrepancies between the actual meter reading: communal vs. individual meters. Other than possible mechanical malfunctions, other reasons cited by minority of respondents were either alleged or real instances of neighbors stealing electricity, and even that a degree of “dishonesty” existed among local distribution companies; this issue was mentioned by 1.3% and 4.8% of respondents respectively.

More than one quarter of respondents, those living outside of Tbilisi, reported that their communal meters were installed this year. One third said that meters had been installed in their households during the last 1 year, and the number of those who’s residences were connected to individual meters varied among different regions, with a number of thief cases reported in the predominately rural regions of Guria and Kvemo Kartli (lower Kartli).



**USAID**  
FROM THE AMERICAN PEOPLE

## Key Findings – Metering (cont.)

The survey revealed that, during this year new individual meters had been installed in every fourth of households, 15% of respondents reported that 1 year ago new individual meters were installed, and an additional 15% said that it was installed 2 years ago. One in ten said that they had the opportunity to have a new meter installed 2-4 years ago, and 27% said that this chance was provided 4-5 years before.

Among those who had previously (more than 10 years) had electric meters installed in their households, 12% said that energy distribution company moved the meter outside during the current year, and every fifth said that this action transpired one year ago; nearly the same number of respondents said 2 years, and two other identical groups in percentage terms (24%) said that meters were removed from the premises and moved outside as far back as 3 to 4, and in other instances, ranging between 4 to 5 years ago.



**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings – Metering (cont.)**

**Overall, slightly more citizens agreed than disagreed that the installation of communal meters was a necessary step in accounting for the actual amount of consumed electricity, 40% and 36% respectively. Another quarter of respondents did not share their thoughts on this installation issue.**

**Comparatively, a slightly larger group of respondents agreed than disagreed that the installation of communal meters was a difficult decision to take but a necessary one; it was a preliminary first step that had to be taken for bringing about individual re-metering. Those that agreed vs. disagreed compared in their opinion, 39% and 26% respectively.**

**Nonetheless, the installation of communal meters was equally considered as both a wrong and unfair decision by 36% of respondents; another 37% of surveyed respondent were partial to the decision as being a correct one.**



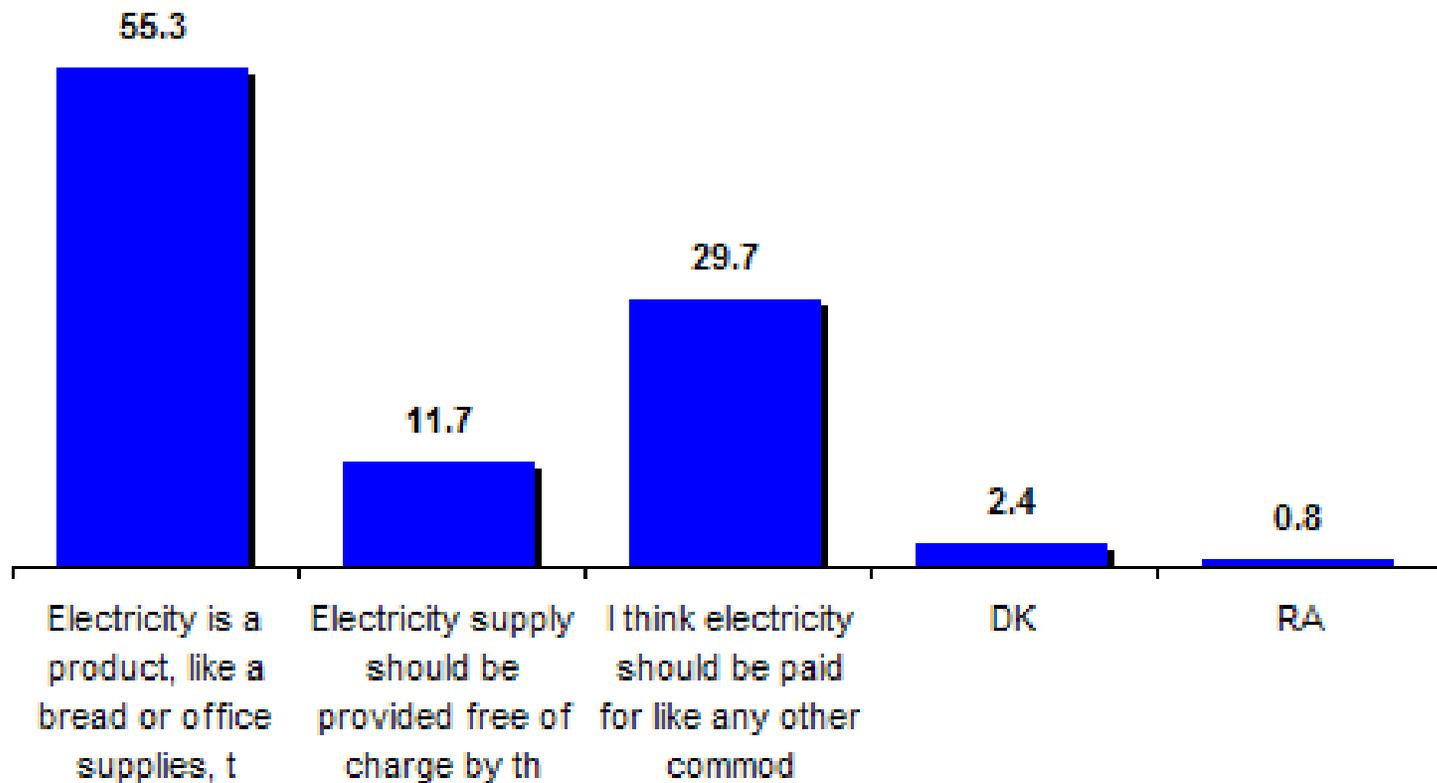
**USAID**  
FROM THE AMERICAN PEOPLE

# Bills and Payments



**USAID**  
FROM THE AMERICAN PEOPLE

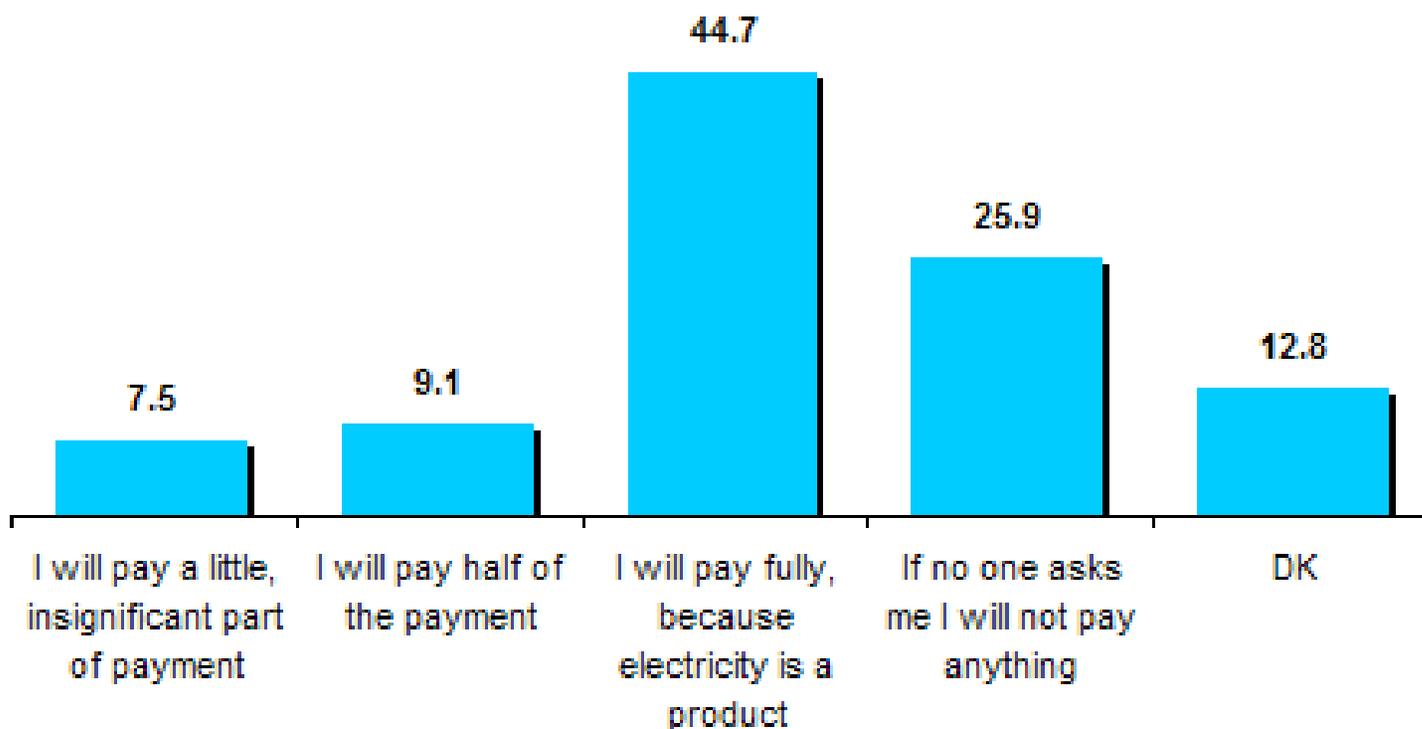
### CITIZEN: r29 Which of the following statements do you most agree with?





**USAID**  
FROM THE AMERICAN PEOPLE

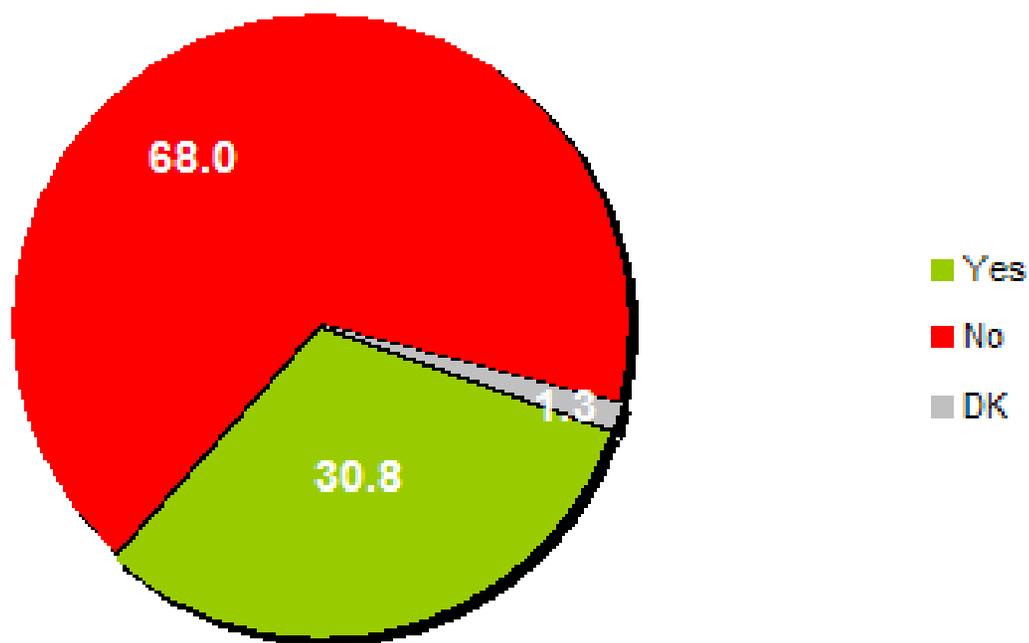
**CITIZEN: e30** Suppose that no one makes you responsible for not paying the price of electricity, and power supply is not also stopped. What would you do?





**USAID**  
FROM THE AMERICAN PEOPLE

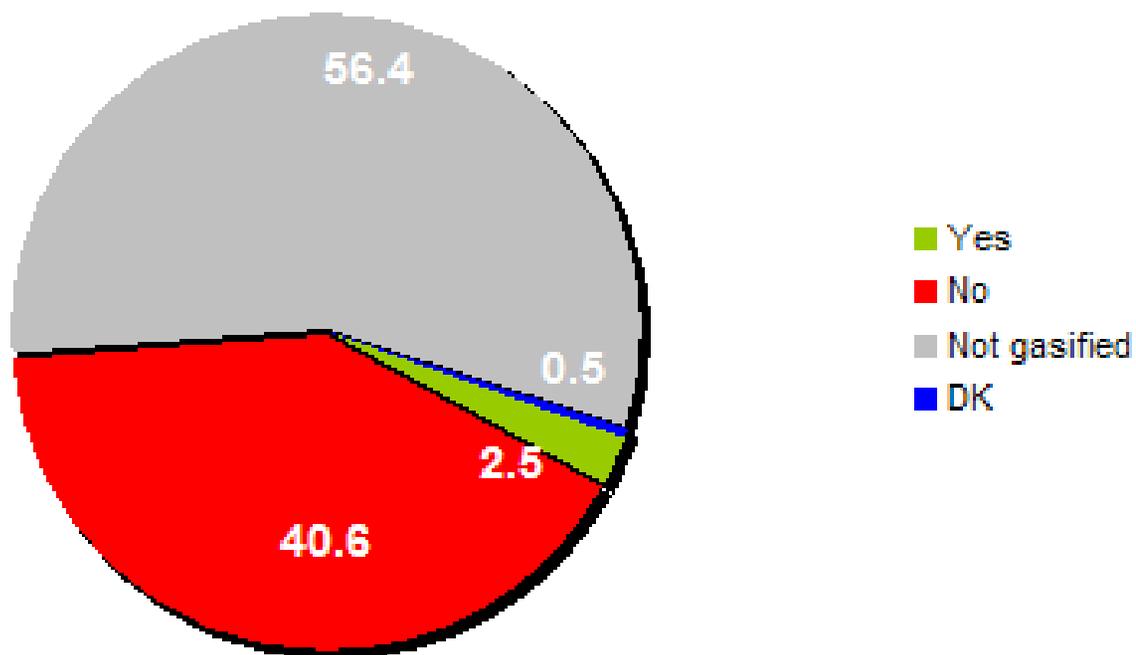
**CITIZEN: e31.a Was electricity disconnected due to nonpayment during the last 2005-2006 winter?**





**USAID**  
FROM THE AMERICAN PEOPLE

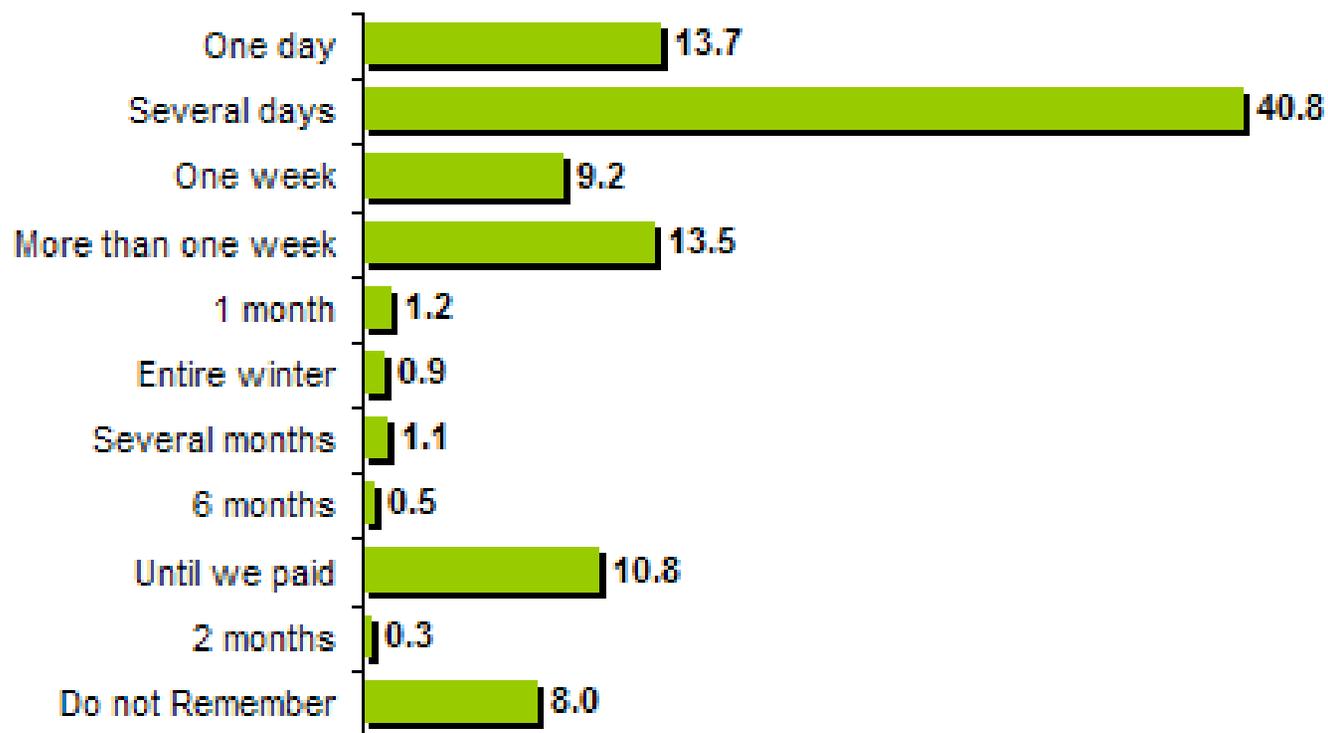
**CITIZEN: e31.b Was gas disconnected due to nonpayment during the last 2005-2006 winter?**





**USAID**  
FROM THE AMERICAN PEOPLE

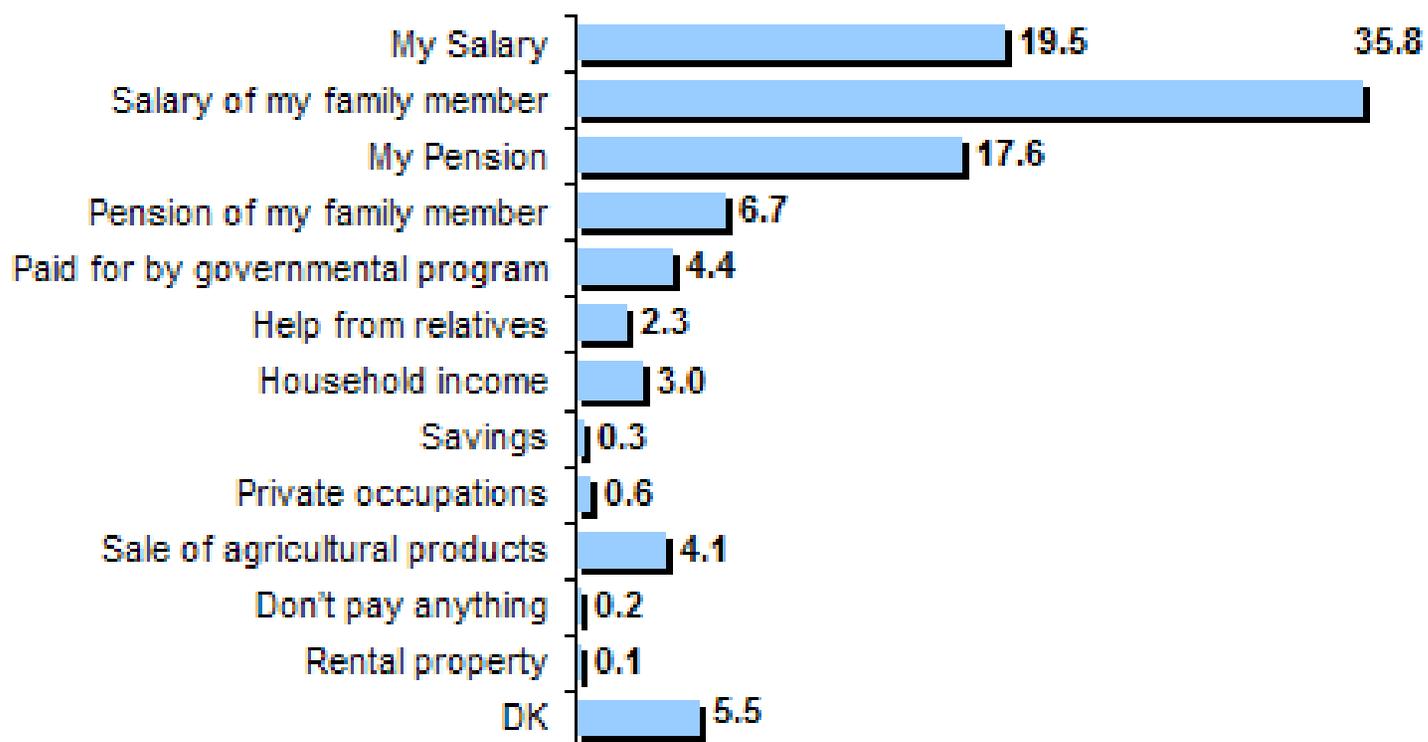
### CITIZEN: e32.1 For how long have electricity been disconnected?





**USAID**  
FROM THE AMERICAN PEOPLE

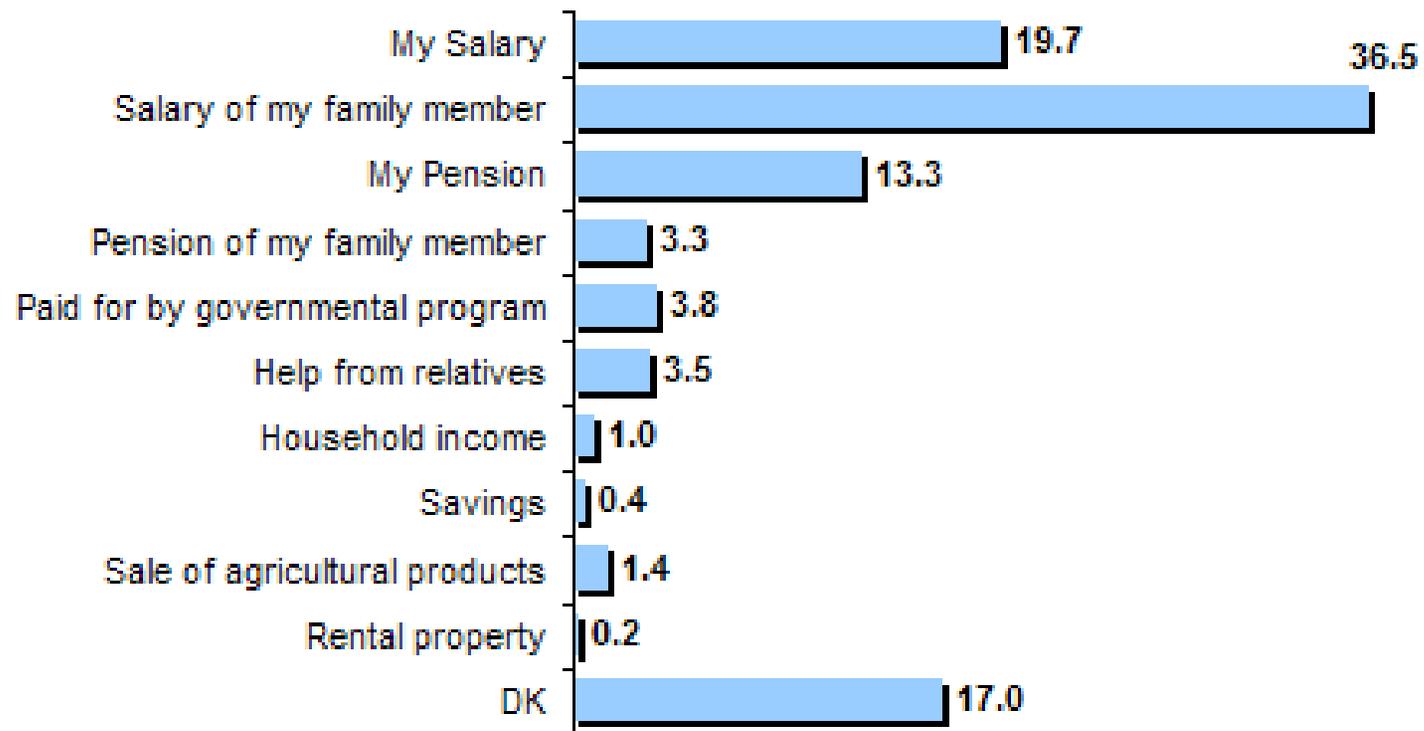
### CITIZEN: e33.1 Which source of income pays your electricity bills?





**USAID**  
FROM THE AMERICAN PEOPLE

### CITIZEN: e33.2 Which source of income pays your gas bills?





**USAID**  
FROM THE AMERICAN PEOPLE

CITIZEN: e34 How much does your household pay for one kilowatt of electricity per hour to your local distribution company?

Average 13.96 Tetri

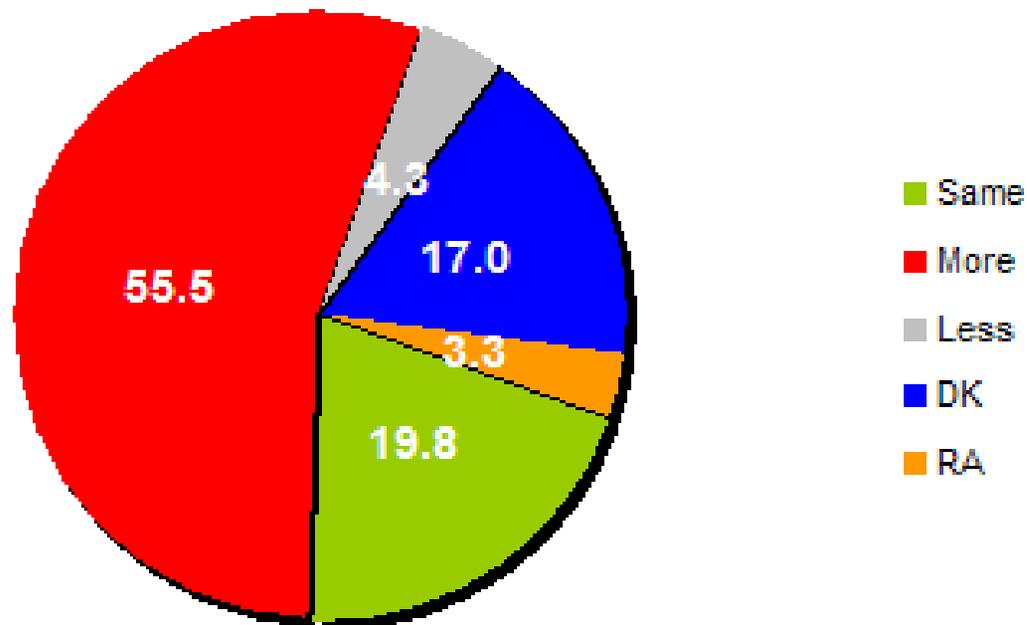
CITIZEN: e34a On average, how much did you pay to your local distribution company each month for electricity during December, January and February of this past winter?

Average 18.84 Lari



**USAID**  
FROM THE AMERICAN PEOPLE

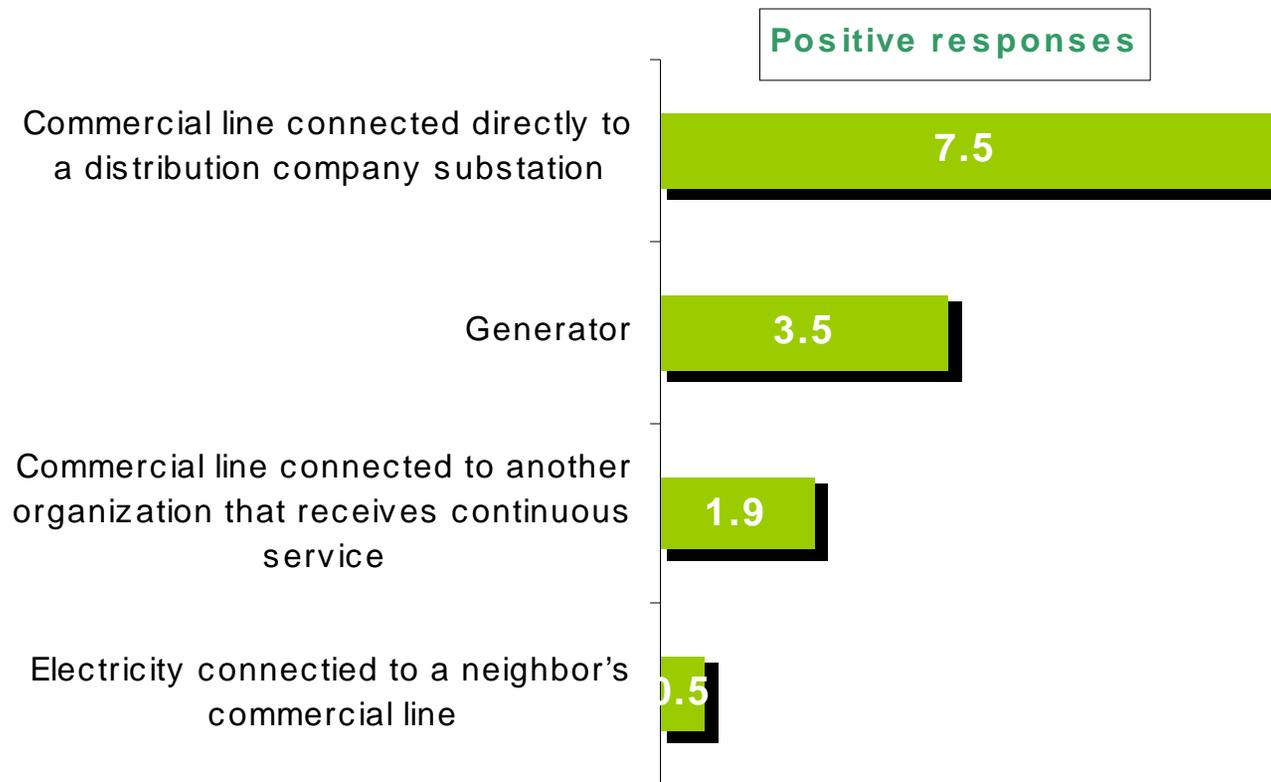
**CITIZEN: e34.b Was this about the same, more, or less than what your household was charged for electricity during December, January and February of last year (2003/2004)?**





**USAID**  
FROM THE AMERICAN PEOPLE

**CITIZEN: E35 Other than your local distribution company, did your household receive any electricity from the following sources this past winter?**





**USAID**  
FROM THE AMERICAN PEOPLE

**CITIZEN: e36 On average, how much did your household paid each month last winter for the electricity from the commercial line?**

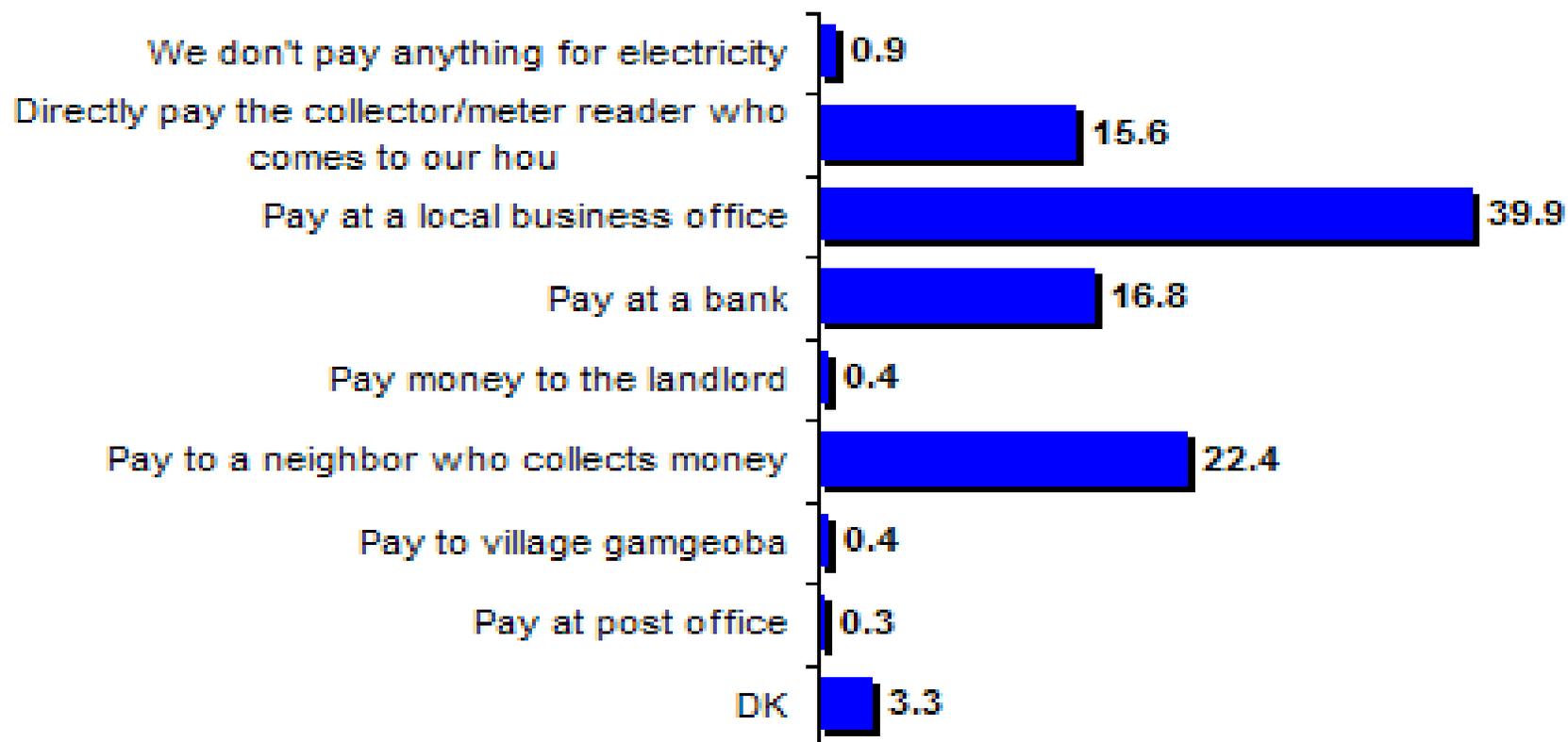
Average

14.89 Lari



**USAID**  
FROM THE AMERICAN PEOPLE

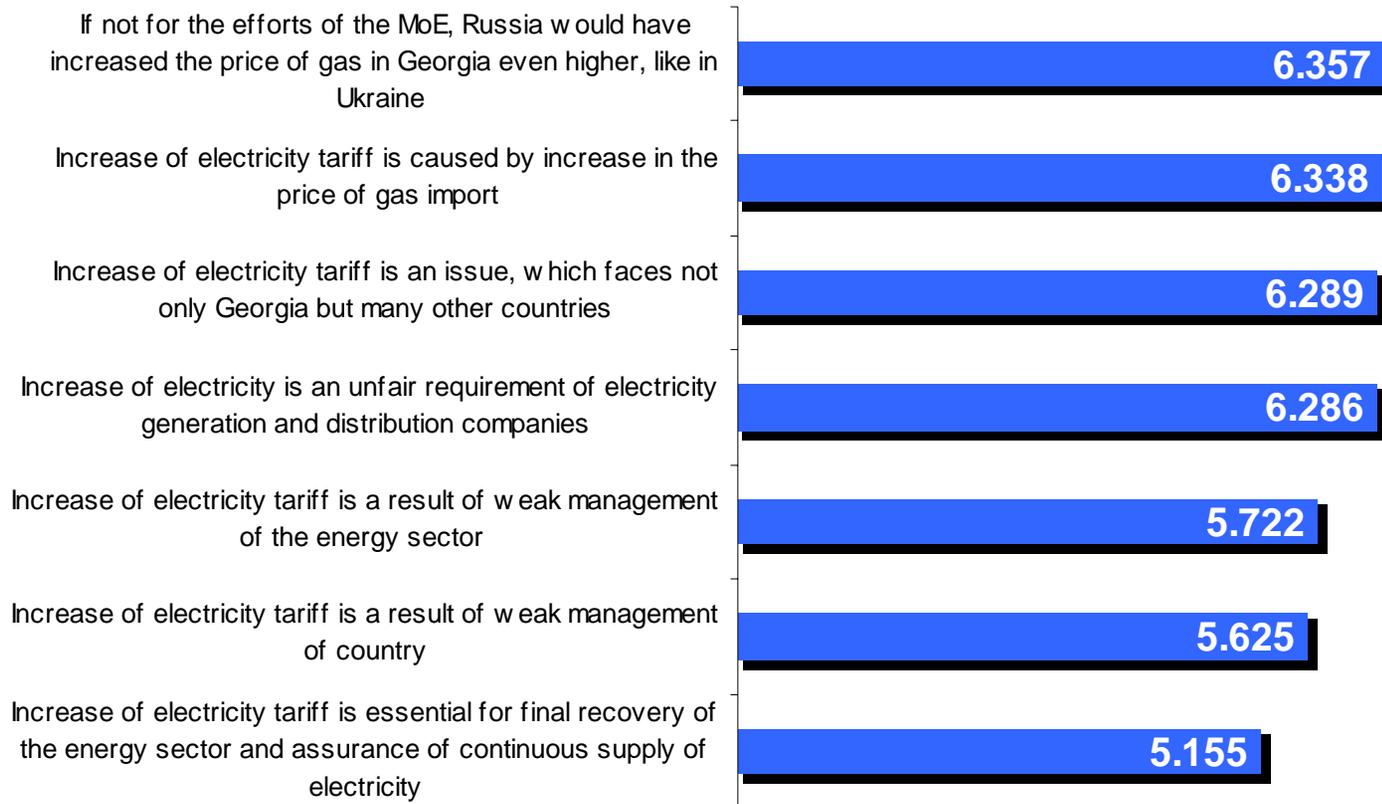
### CITIZEN: e37 How does your household usually pay for electricity from your local distribution company?





**USAID**  
FROM THE AMERICAN PEOPLE

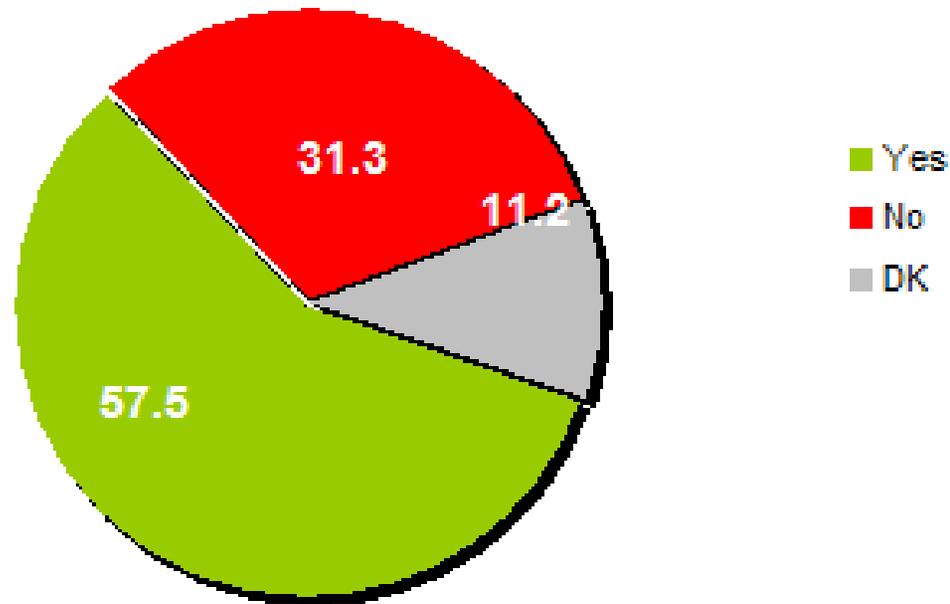
**CITIZEN: E39. On a scale of 1 to 7, with 1 strongly disagree and 7 being strongly agree, please tell me how much you agree with each of the following statements**





**USAID**  
FROM THE AMERICAN PEOPLE

**CITIZEN: e40** Have you heard that the government introduced a special assistance for the vulnerable part of society in order to compensate for the increase in the electricity tariff?





**USAID**  
FROM THE AMERICAN PEOPLE

## Key Findings – Bills and Payments

Nationally, the majority of respondents agreed that electricity is like a commodity and consumers should pay to use it. Nonetheless, still one in ten consumers believed that electricity should be provided free-of-charge. Less than one in every three respondents (30%) said that everyone should have to pay for electricity. Due to the difficult economic situation facing Georgia, the government should contribute and assist some consumers in covering their electricity bills, though by 12% of respondents. Overall, almost nine out of ten respondents admitted that consumers should pay for electricity on the same basis, as they should have to pay for any other commodity.

Hypothetically speaking, if a situation were to exist where no one was held responsible for not paying for electricity, and power supply continued uninterrupted, almost half of those surveyed (45%) at the national level, stated that they would pay as they consider “electricity to be a product”. Moreover, in such an instance, less than one in ten would only pay for an insignificant portion of the payment, and the same number of respondents would pay half of the bill, and 26% of adult citizens would not pay anything at all if they were given such an opportunity.



**USAID**  
FROM THE AMERICAN PEOPLE

## Key Findings – Bills and Payments (cont.)

Almost every third respondent said that they were disconnected from electricity supply because of nonpayment during the 2005-2006 winter, while more than two third of consumers were not. Among those who were disconnected as a result of not paying, more than half were forced to manage without electricity for less than a week, every tenth for one week, and 14% for more than one week.

Those households that had a regular supply of gas were more likely to pay their bills, and among gasified households, only 6% were disconnected last winter.

Salaries earned by other family members other than the actual respondents, covered electricity bills for the majority of households (36%), financial resources from respondents own salary covered 20% of their electricity bills. 18% of respondents said that their pension was used for payment, and even fewer (7%) named their family member's pension as being the source of payment, 4% said that government programs cover their bills. The same tendency for funding of utility bills, both for gas and electricity, was quite similar.



**USAID**  
FROM THE AMERICAN PEOPLE

## Key Findings – Bills and Payments (cont.)

Nationally, on average, 13.96 tetri is paid for one kilowatt of electricity and the average monthly electric bill totals 18.64 Gel.

More than half of respondents (56%) said that compared with December, January and February of two years ago (2003/2004), the cost of electricity has increased. Every fifth respondent said that the amount paid was similar to two years ago and only 4% said that they had actually paid less than what was paid in previous years.

The era of so called “commercial lines” seems to be a thing of the past in Georgia. Now, the vast majority of surveyed households are directly supplied with electricity from commercial distribution companies. However, still a small minority, less than one percent (0.5%) was still hooked up to a neighborhood commercial line. 2% were connected to a commercial line connected to another organization, such as a hospital or government building that receives continuous service, and less than one in ten (7.5%) to a commercial line that was connected directly to a distribution company substation, and 3.5% of respondents to generators.



**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings – Bills and Payments (cont.)**

**Out of 110 respondents who were using commercial lines, paid an average of 14.9 Lari per month for their electricity bills. This average payment is substantially lower compared with the average electricity payment on the national level.**

**Nationally, the most common method for paying electricity bill is paying at the local business offices, 17% pays at banks and 22% (mostly outside of Tbilisi) pays to a neighbor who collects money for those provided a collective service. Another 16% pays directly to the collector/meter reader who comes to their households.**



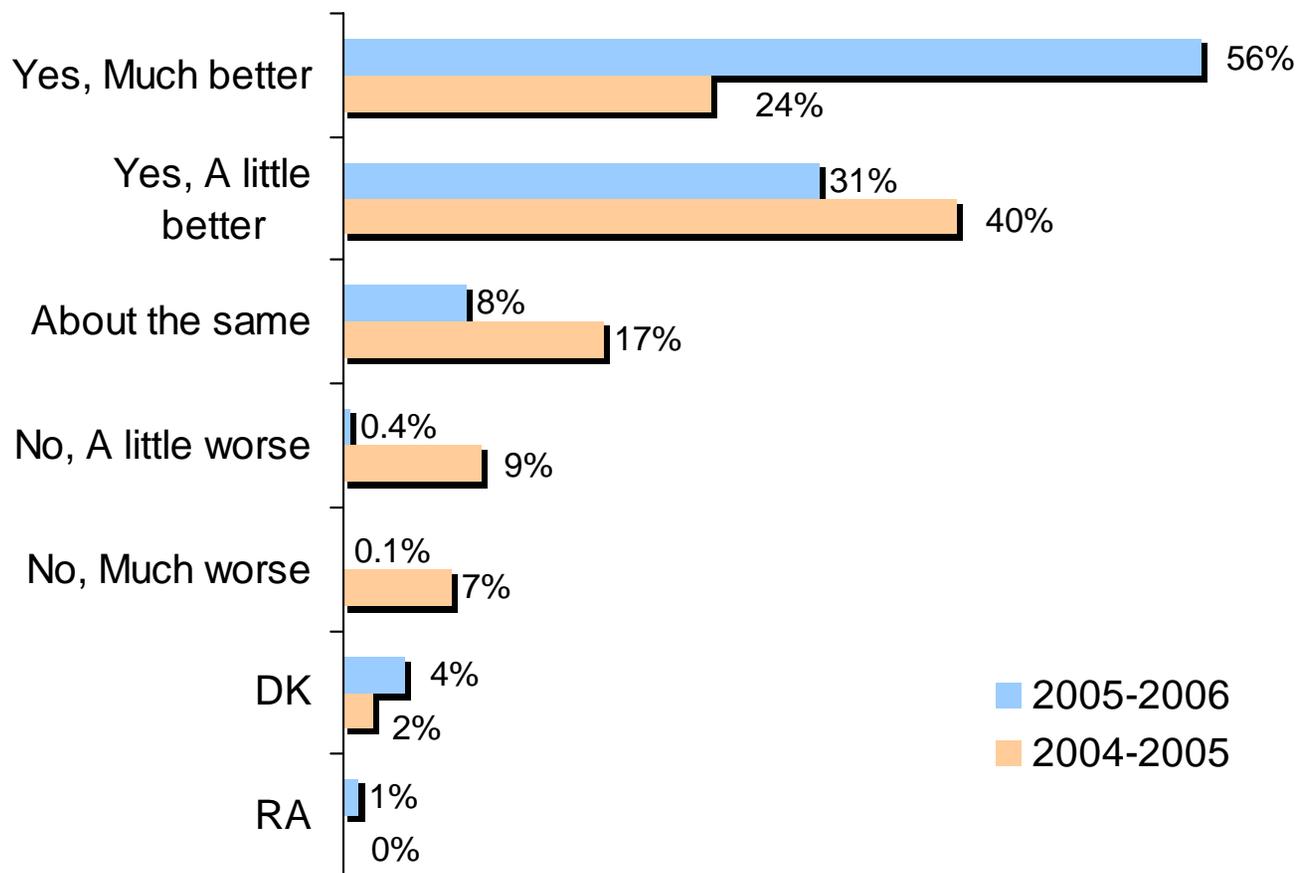
**USAID**  
FROM THE AMERICAN PEOPLE

# Comparative Snapshot



**USAID**  
FROM THE AMERICAN PEOPLE

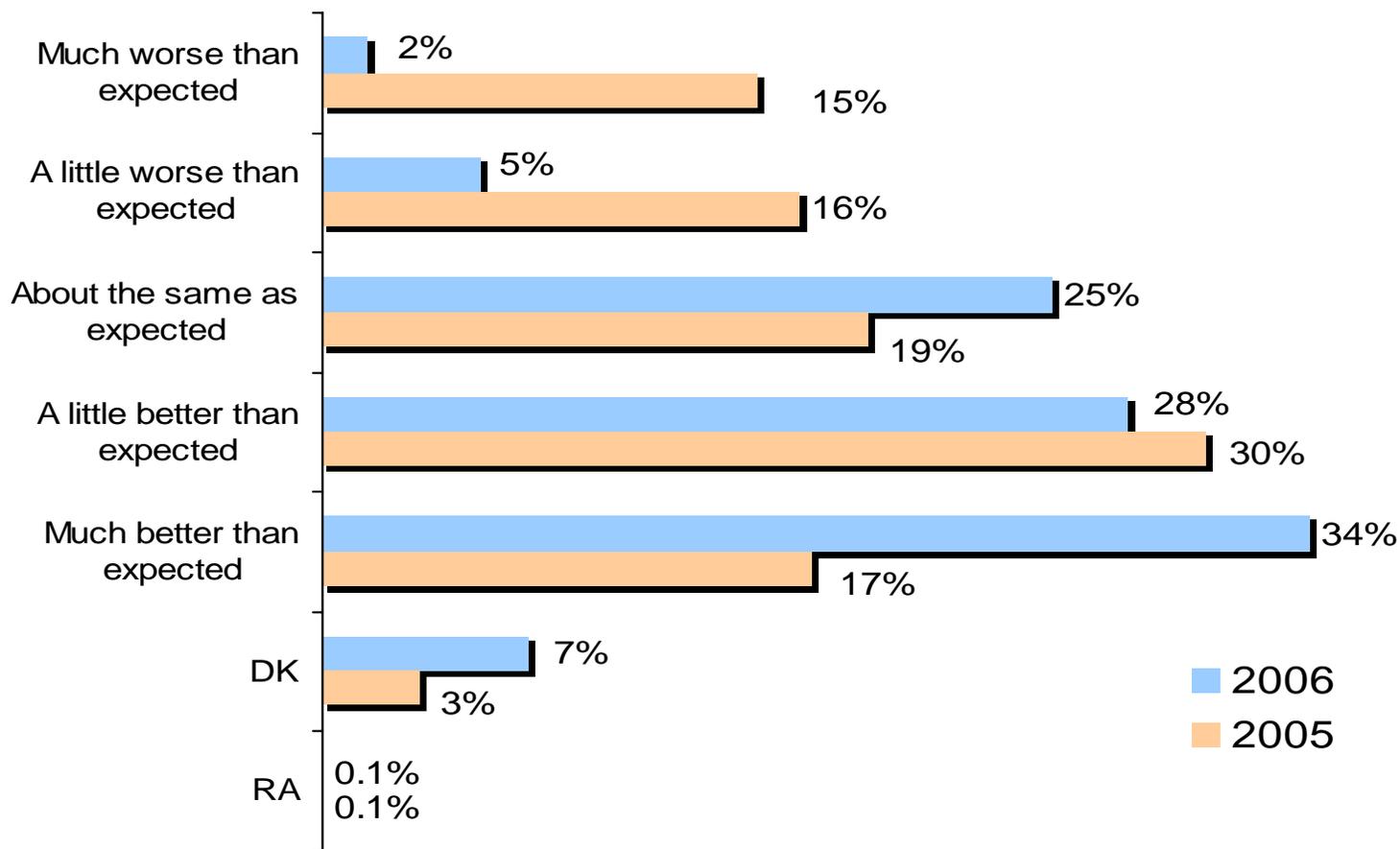
**Thinking just about the months of December, January, and February of 2005-2006 winter, how was your electricity supply compared to the previous 2004-2005 winter season?**





**USAID**  
FROM THE AMERICAN PEOPLE

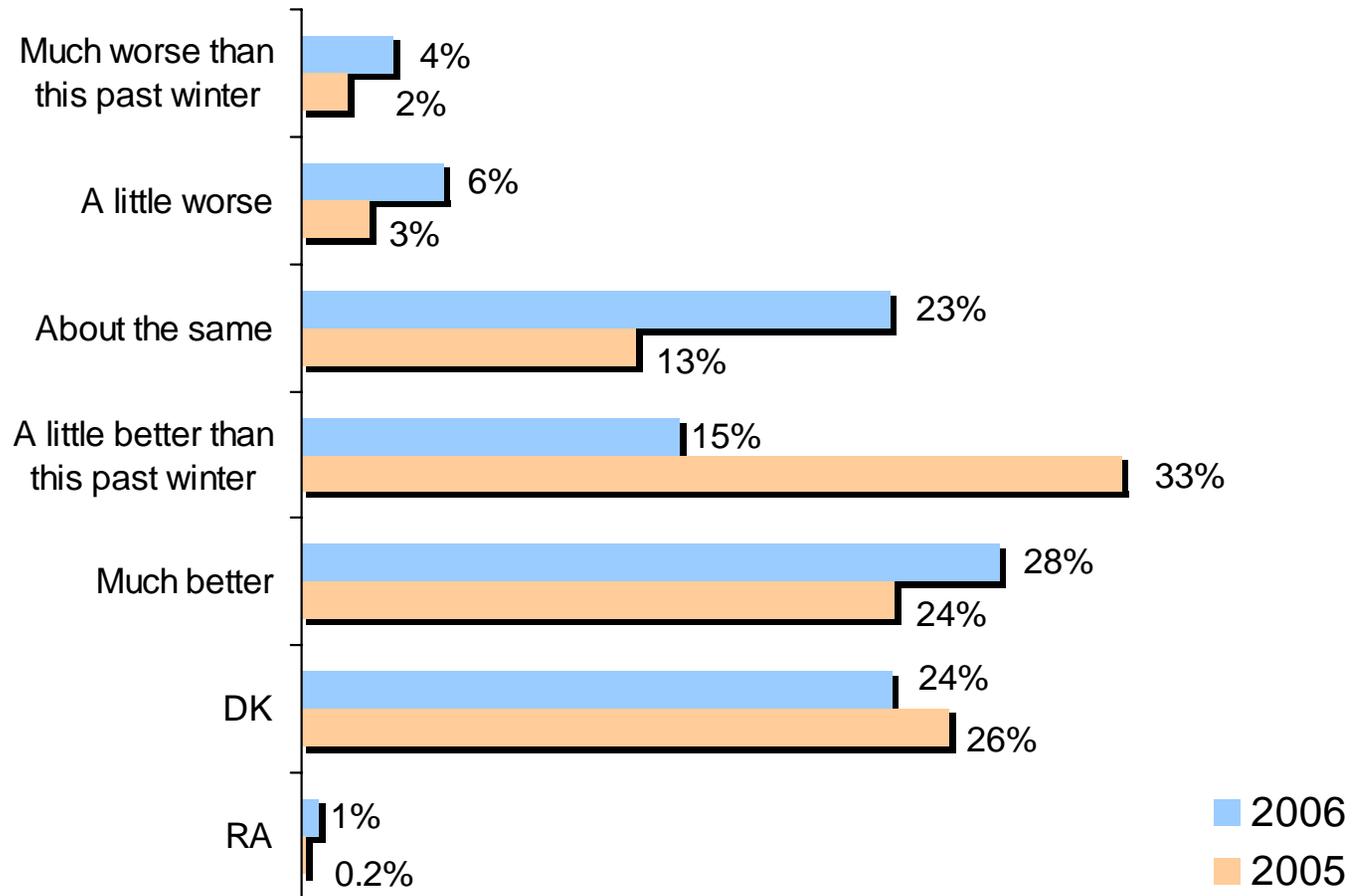
**Again, thinking about the months of December, January and February this past winter, was the electricity supply your household received . . . ?**





**USAID**  
FROM THE AMERICAN PEOPLE

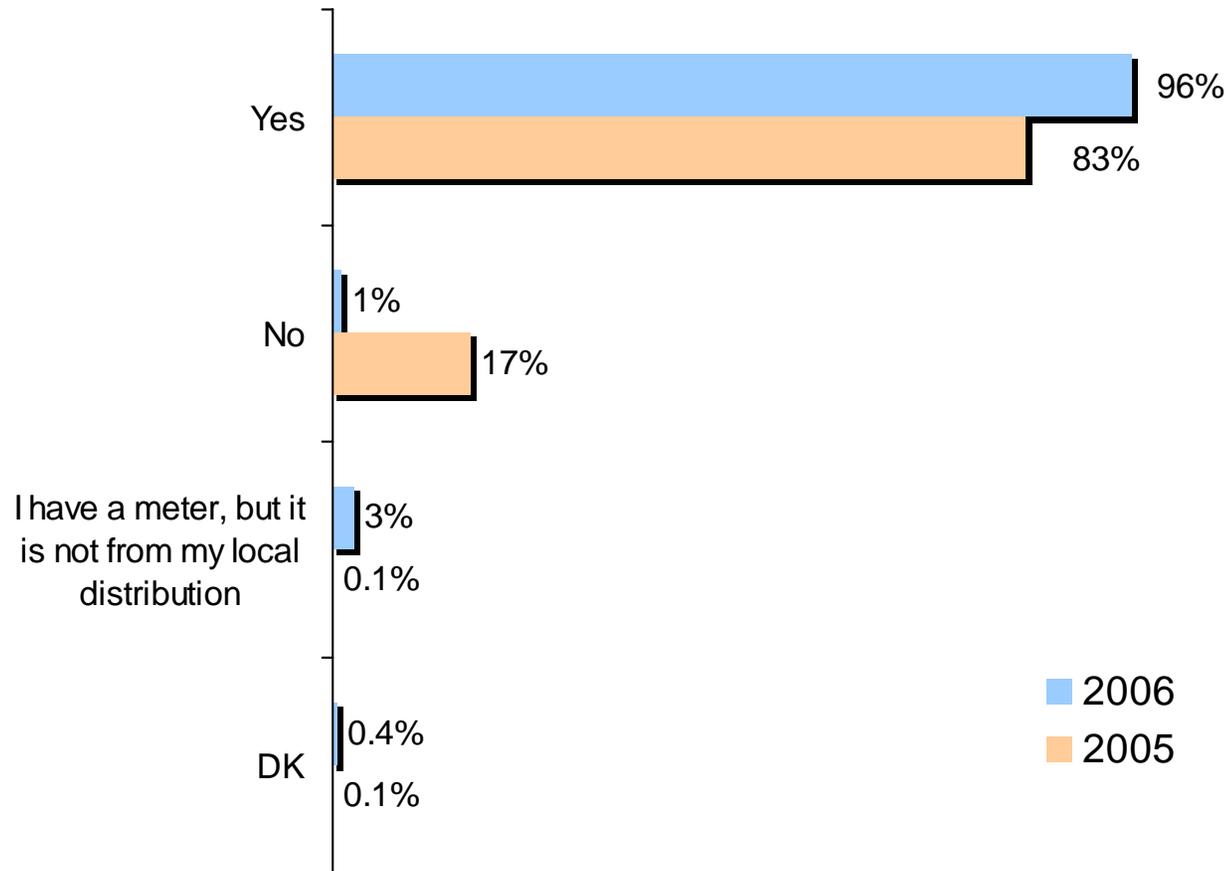
### Next winter, do you think your household's electricity supply will be . . . ?





**USAID**  
FROM THE AMERICAN PEOPLE

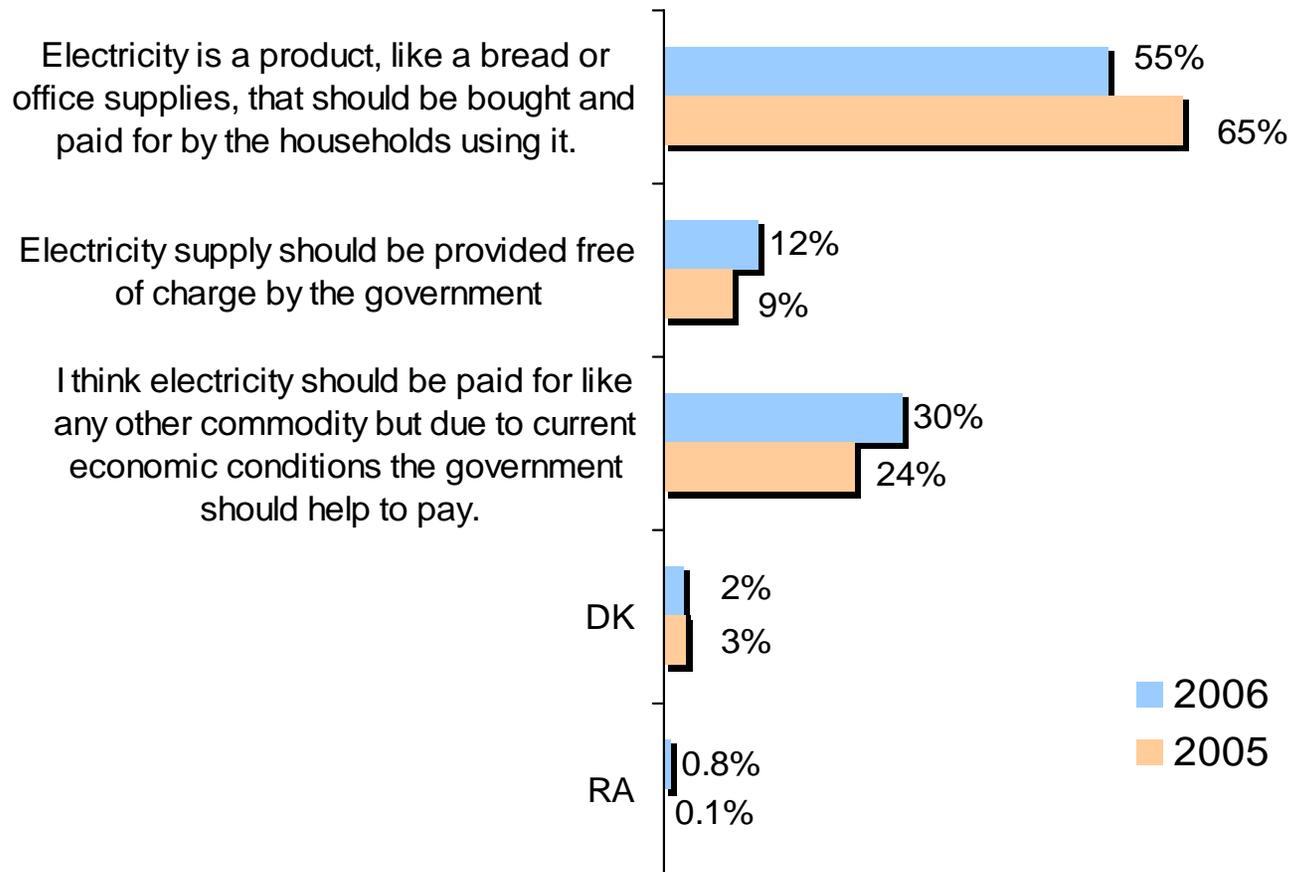
### Does your household have a working electric meter from your local distribution company?





**USAID**  
FROM THE AMERICAN PEOPLE

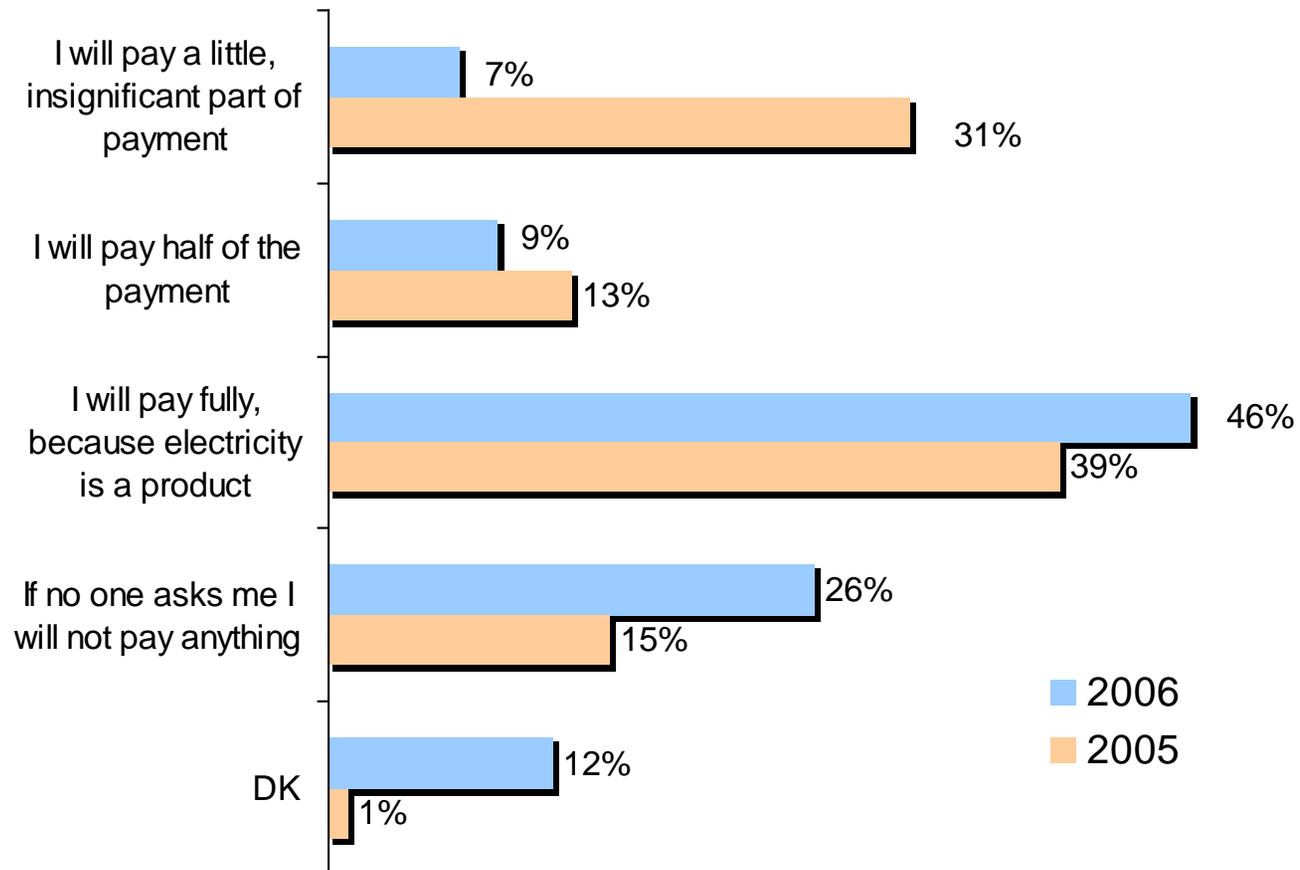
### Which of the following statements do you most agree with?





**USAID**  
FROM THE AMERICAN PEOPLE

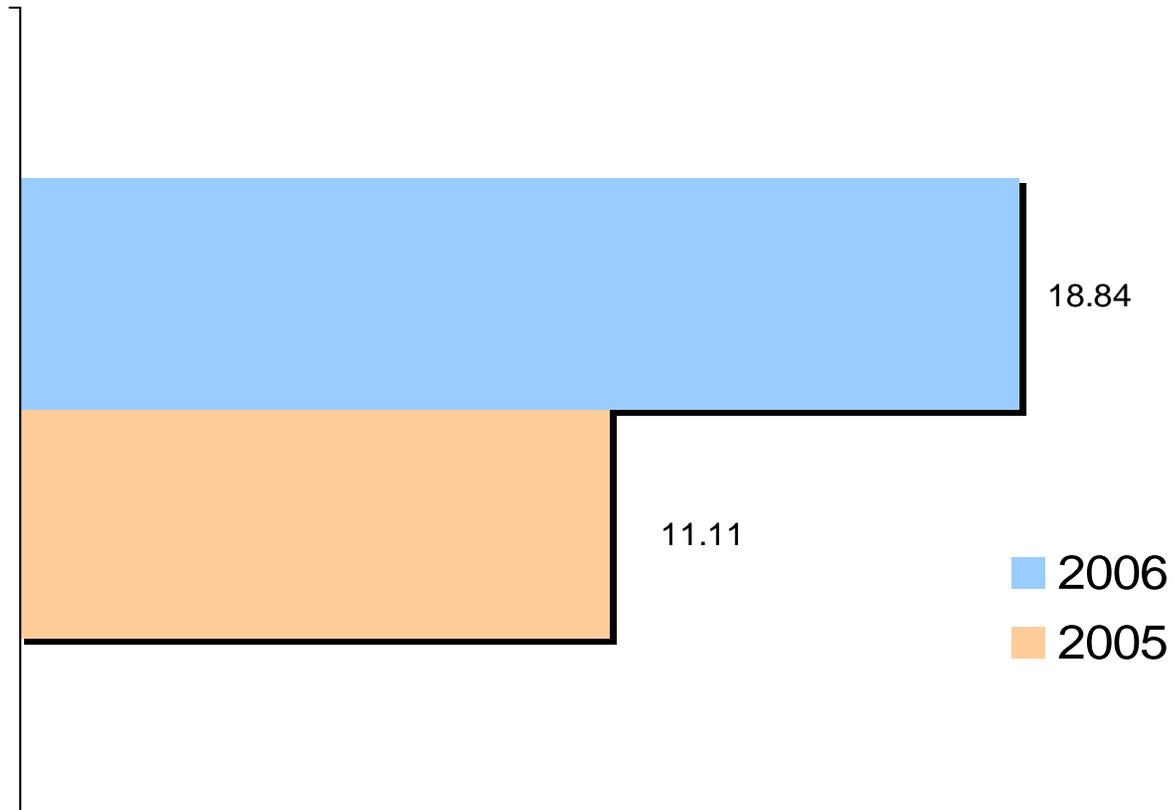
**Suppose that no one makes you responsible for not paying the price of electricity, and power supply is not also stopped. What would you do?**





**USAID**  
FROM THE AMERICAN PEOPLE

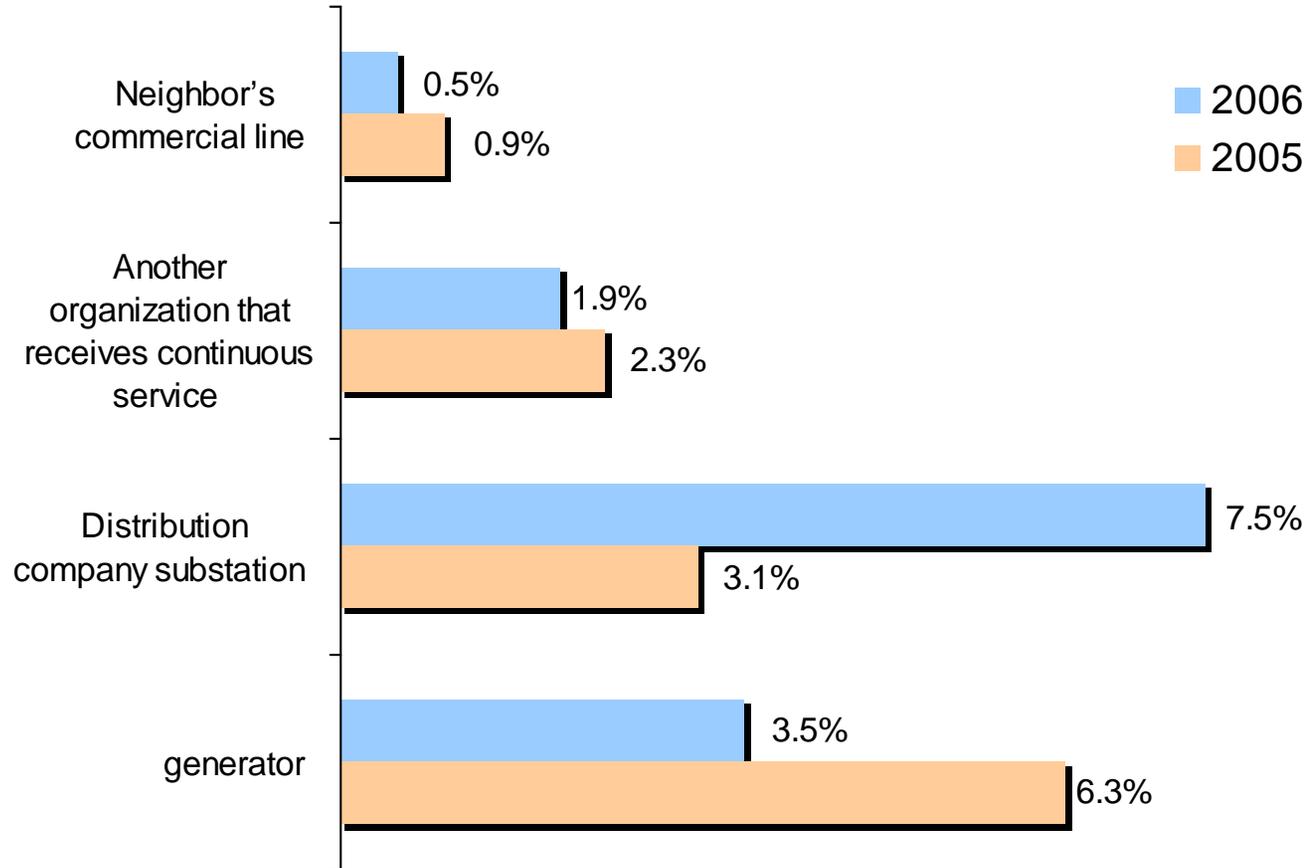
**On average, how much did you pay to your local distribution company each month for electricity during December, January and February of this past winter?**





**USAID**  
FROM THE AMERICAN PEOPLE

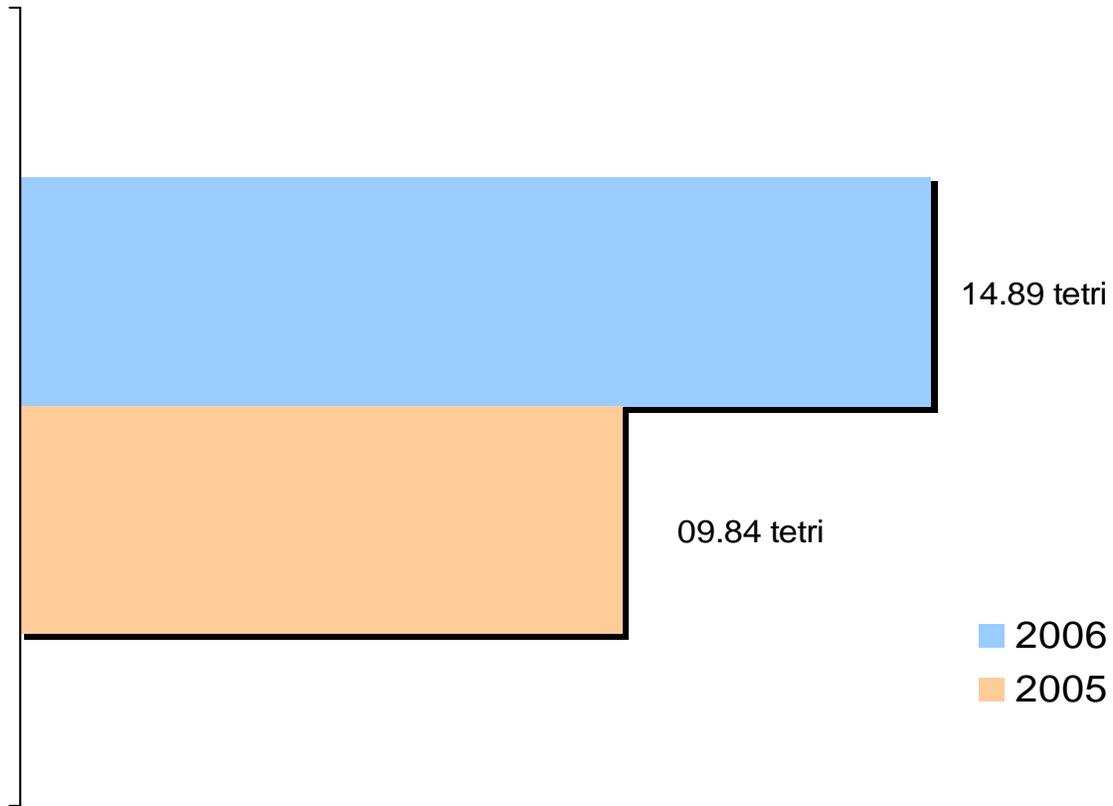
**CITIZEN: Other than your local distribution company, did your household receive any electricity with connection to ..... line this past winter?**





**USAID**  
FROM THE AMERICAN PEOPLE

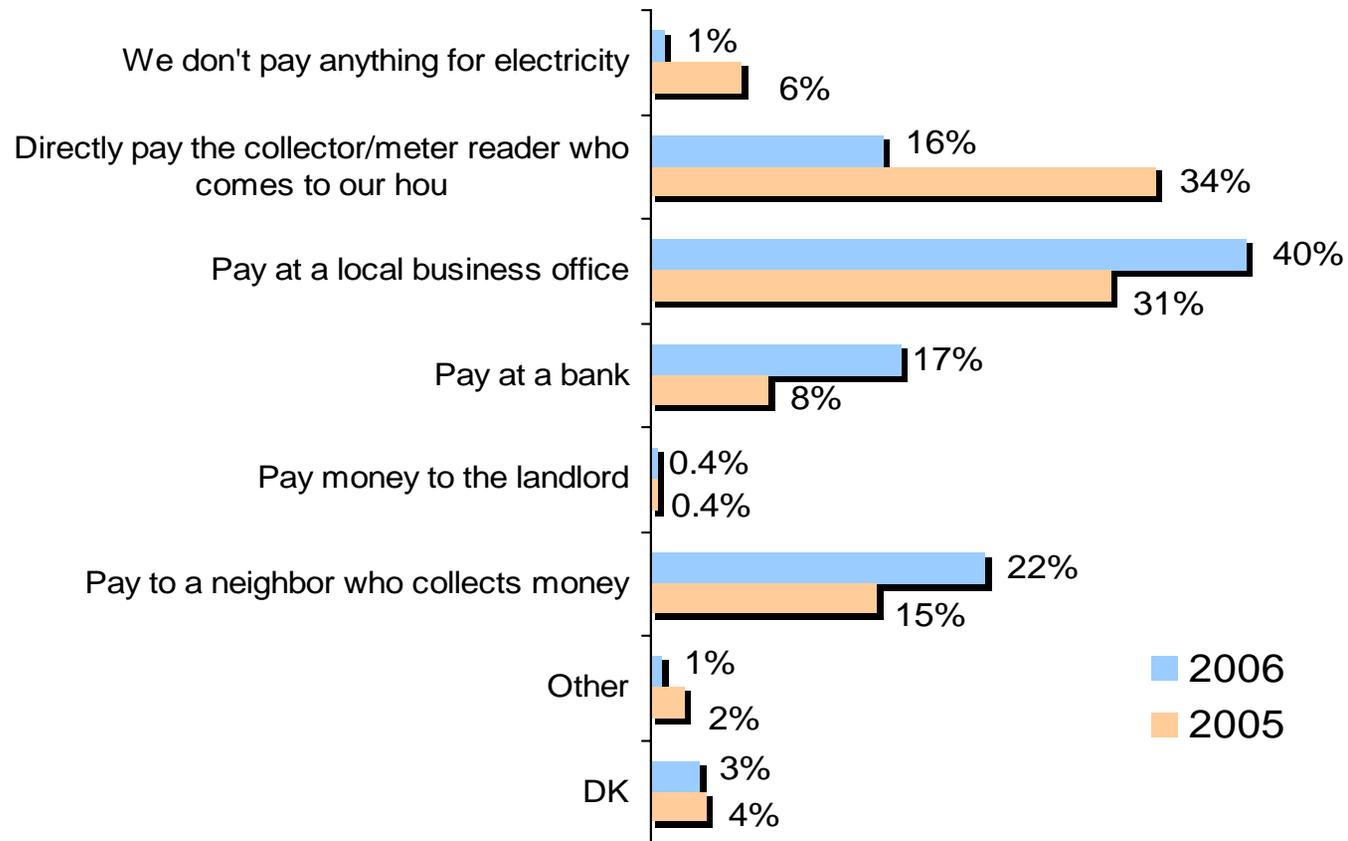
**On average, how much did you pay to your local distribution company each month for electricity during December, January and February of this past winter?**





**USAID**  
FROM THE AMERICAN PEOPLE

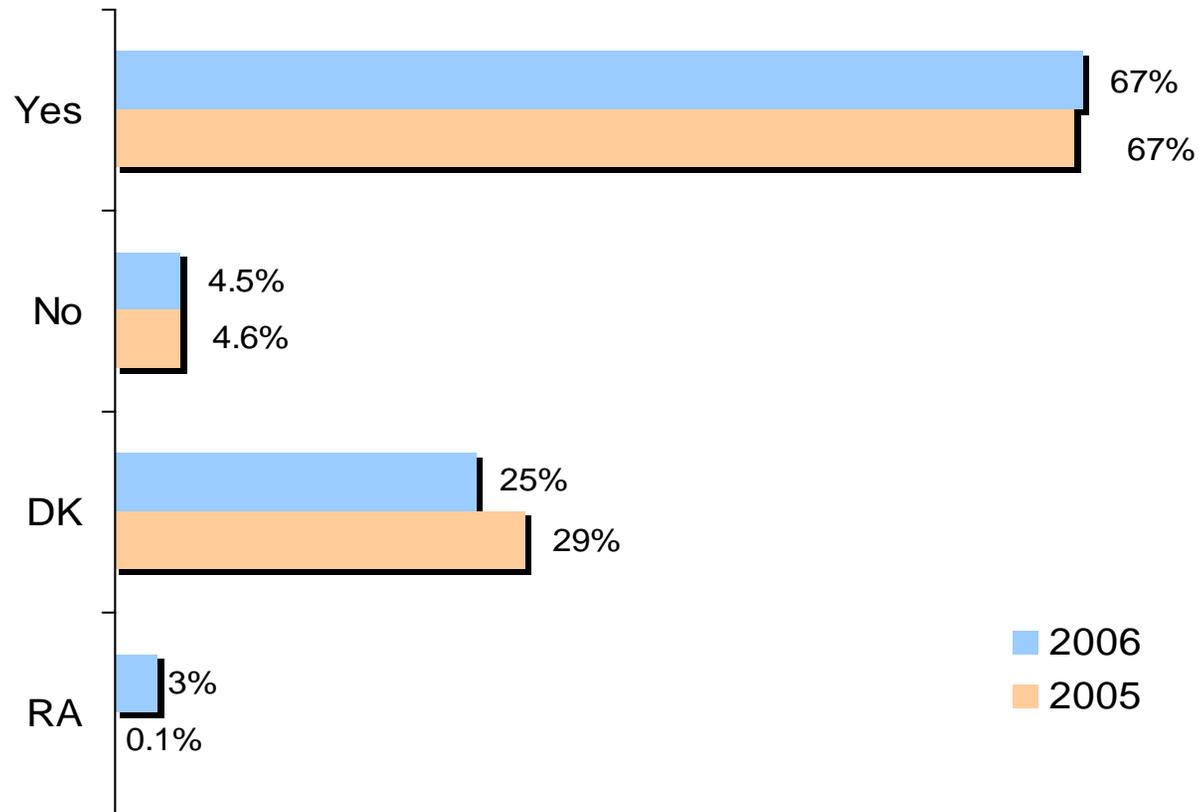
### How does your household usually pay for electricity from your local distribution company?





**USAID**  
FROM THE AMERICAN PEOPLE

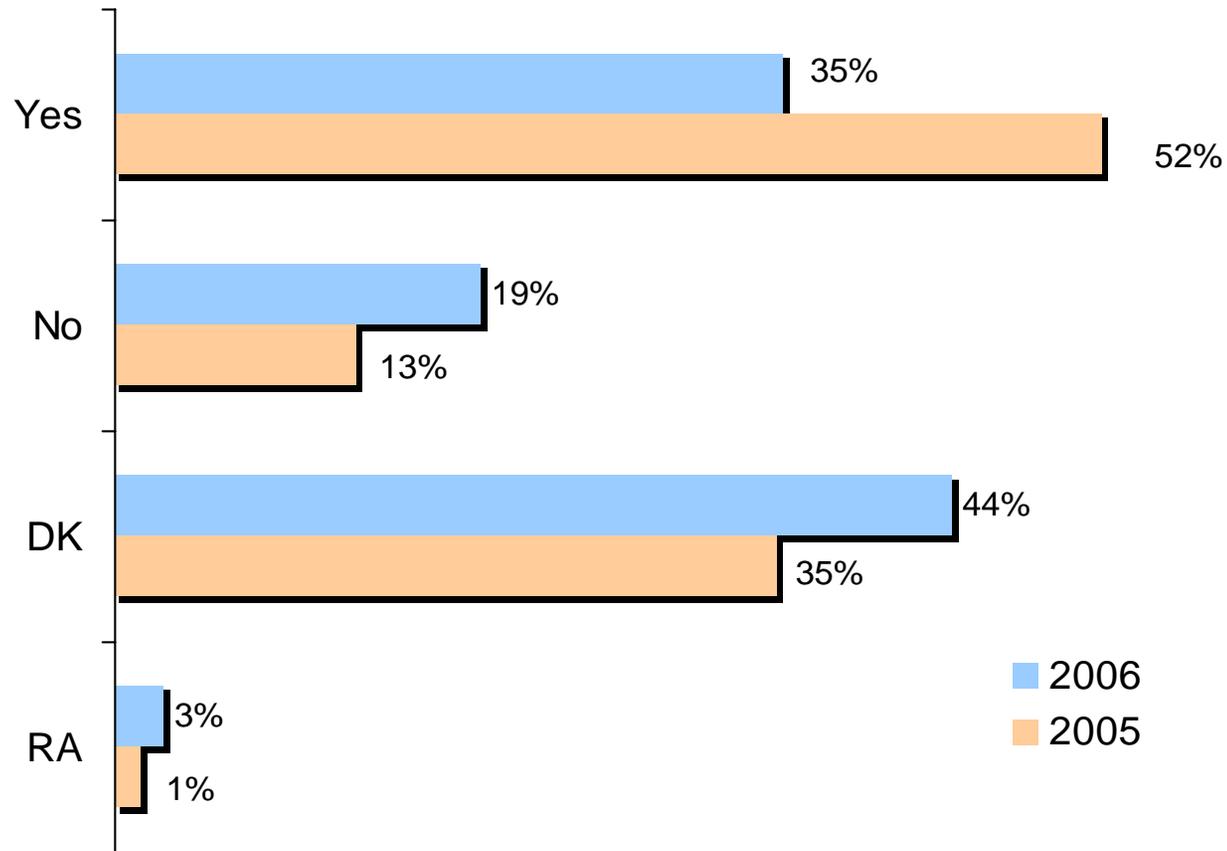
**In your opinion, will the current Ministry of Energy succeed in solving the problems of the energy sector in Georgia?**





**USAID**  
FROM THE AMERICAN PEOPLE

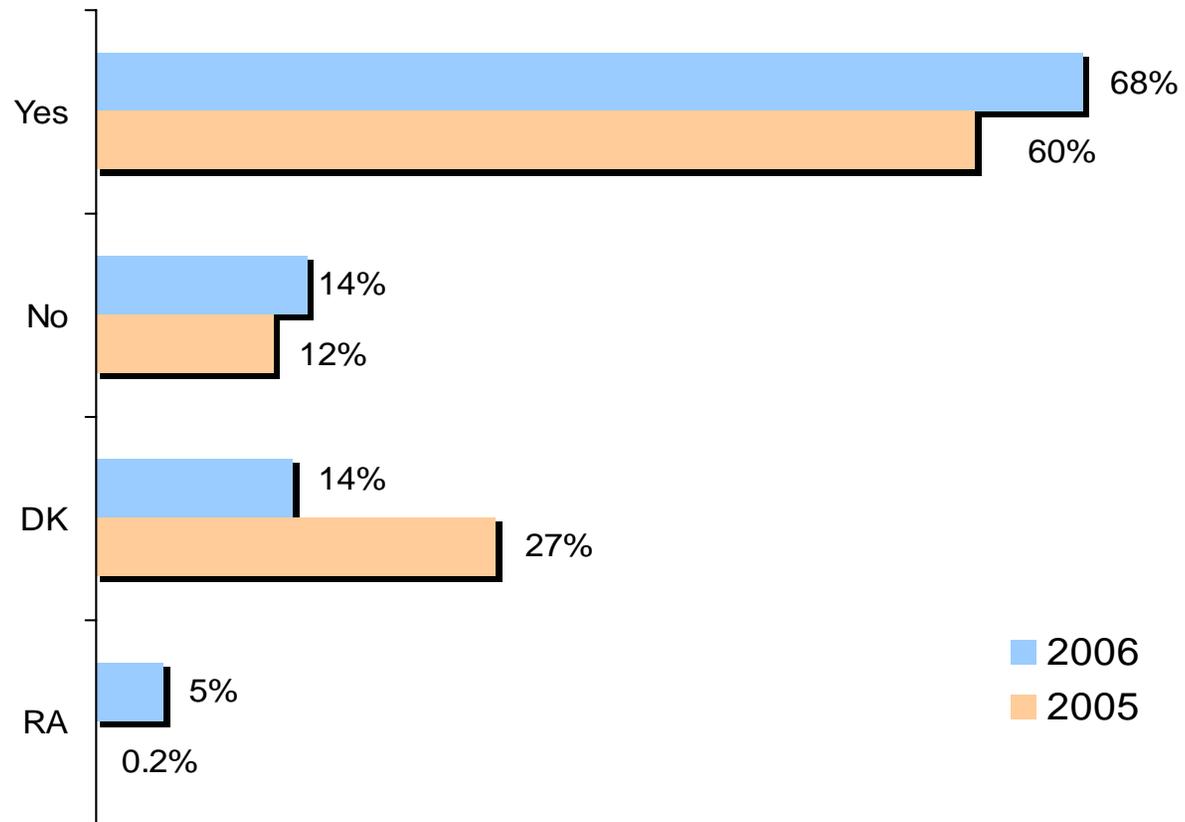
### Do you feel that there is corruption in the energy sector?





**USAID**  
FROM THE AMERICAN PEOPLE

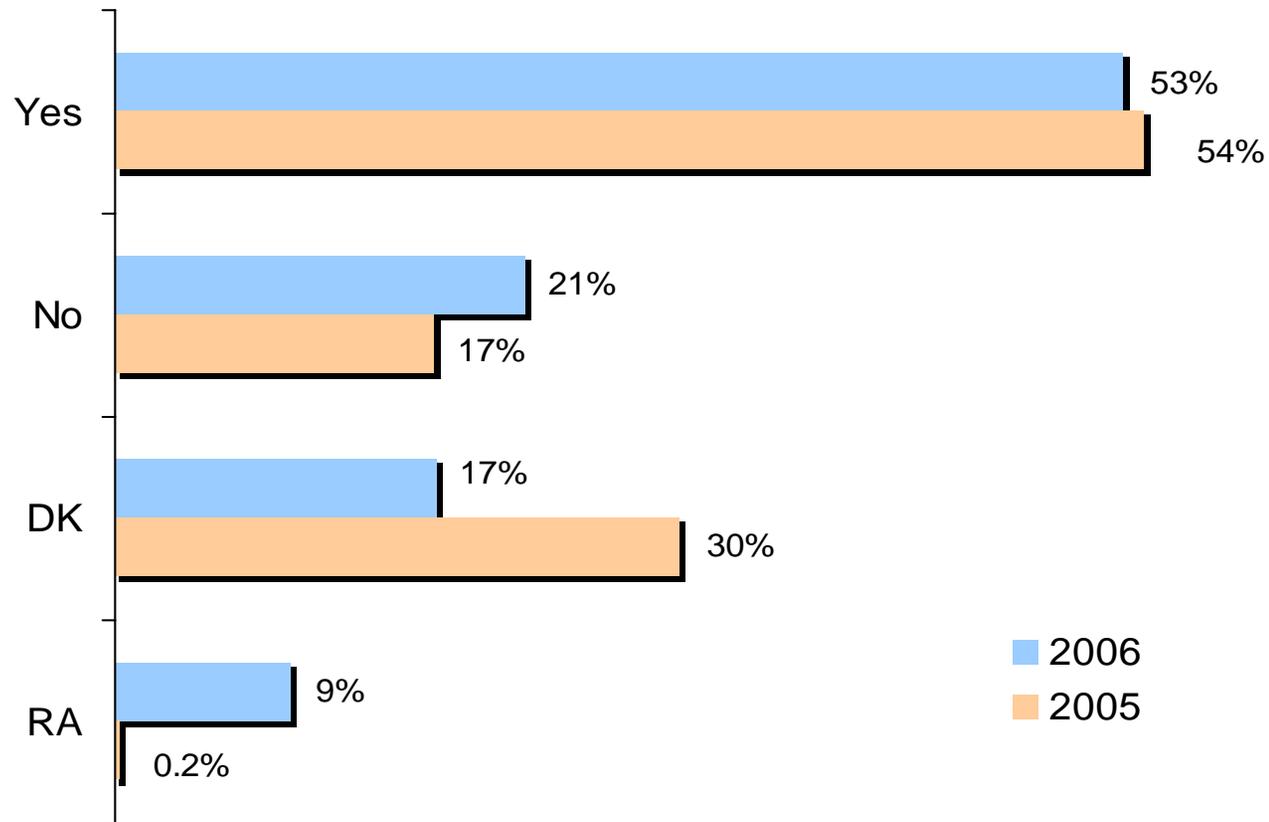
### Do you feel Ministry of Energy employees facilitates corruption in the energy sector?





**USAID**  
FROM THE AMERICAN PEOPLE

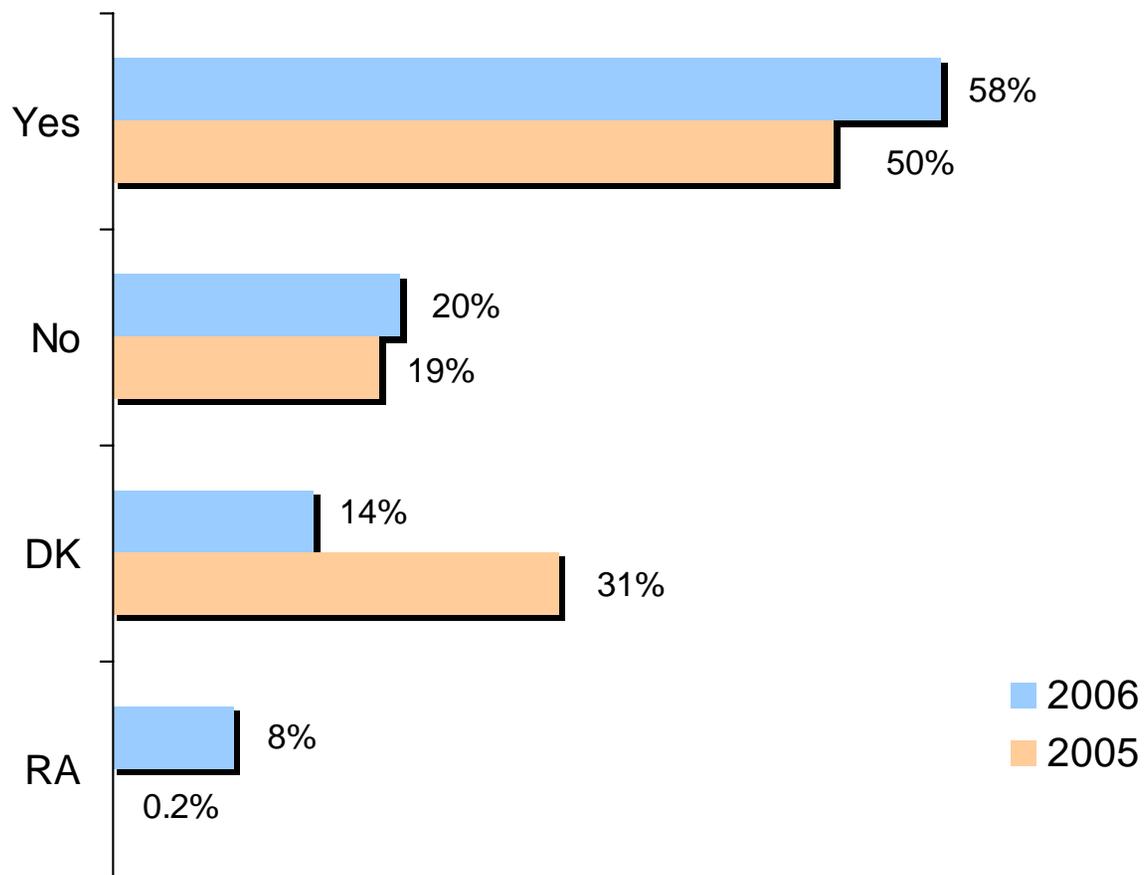
### Do you feel Managers of the local electric distribution company facilitates corruption in the energy sector?





**USAID**  
FROM THE AMERICAN PEOPLE

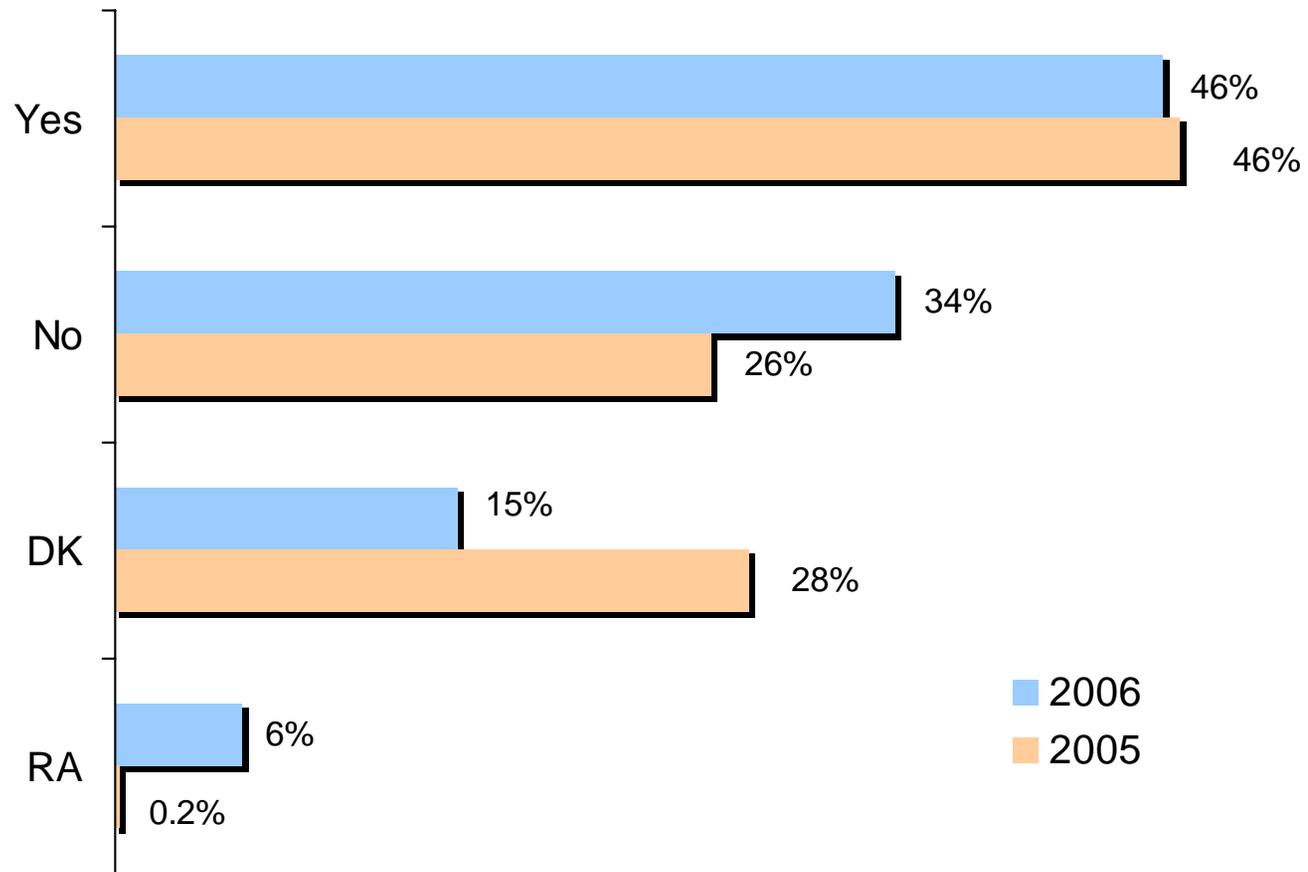
### Do you feel other employees of the local electric distribution company facilitates corruption in the energy sector?





**USAID**  
FROM THE AMERICAN PEOPLE

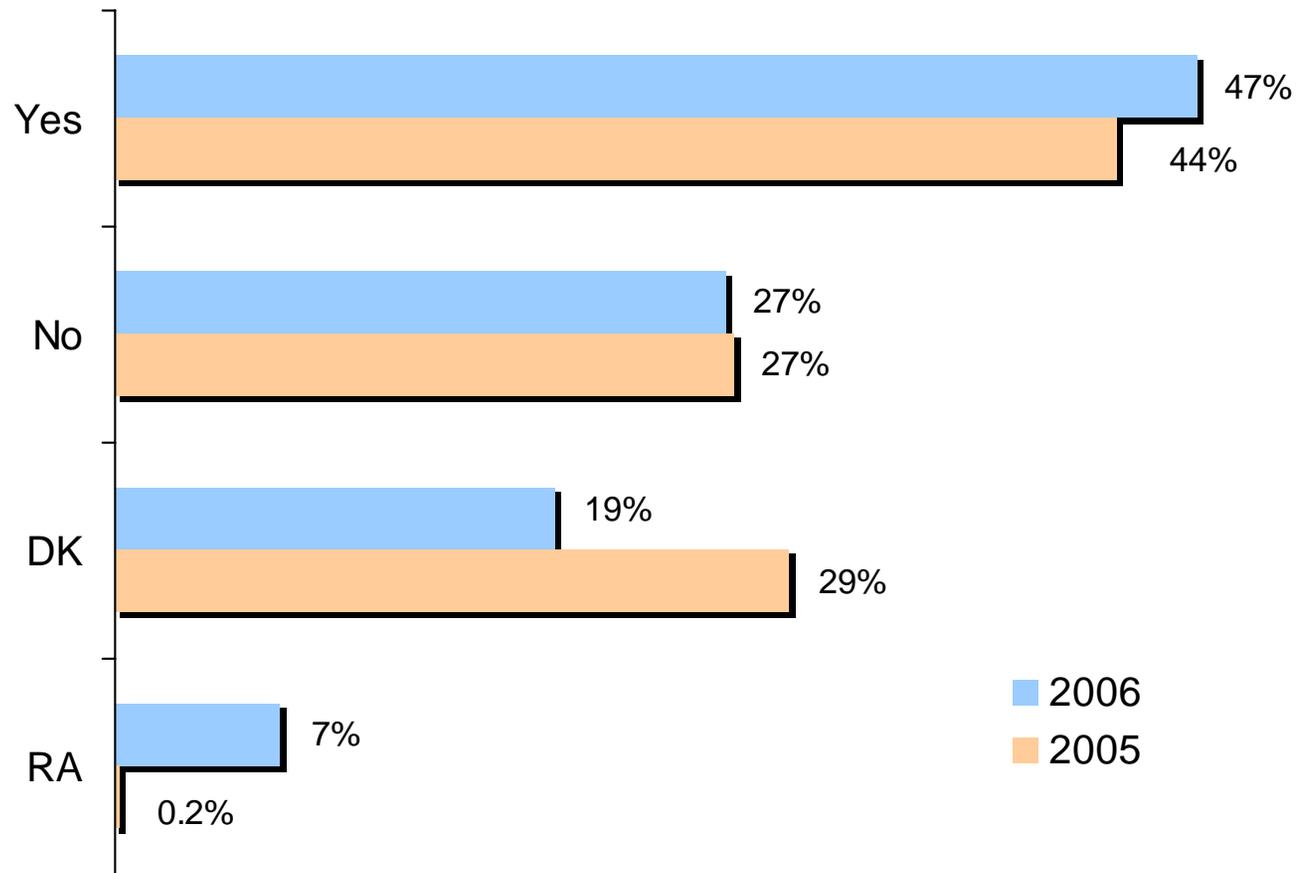
### Do you feel cash collectors/meter readers facilitates corruption in the energy sector?





**USAID**  
FROM THE AMERICAN PEOPLE

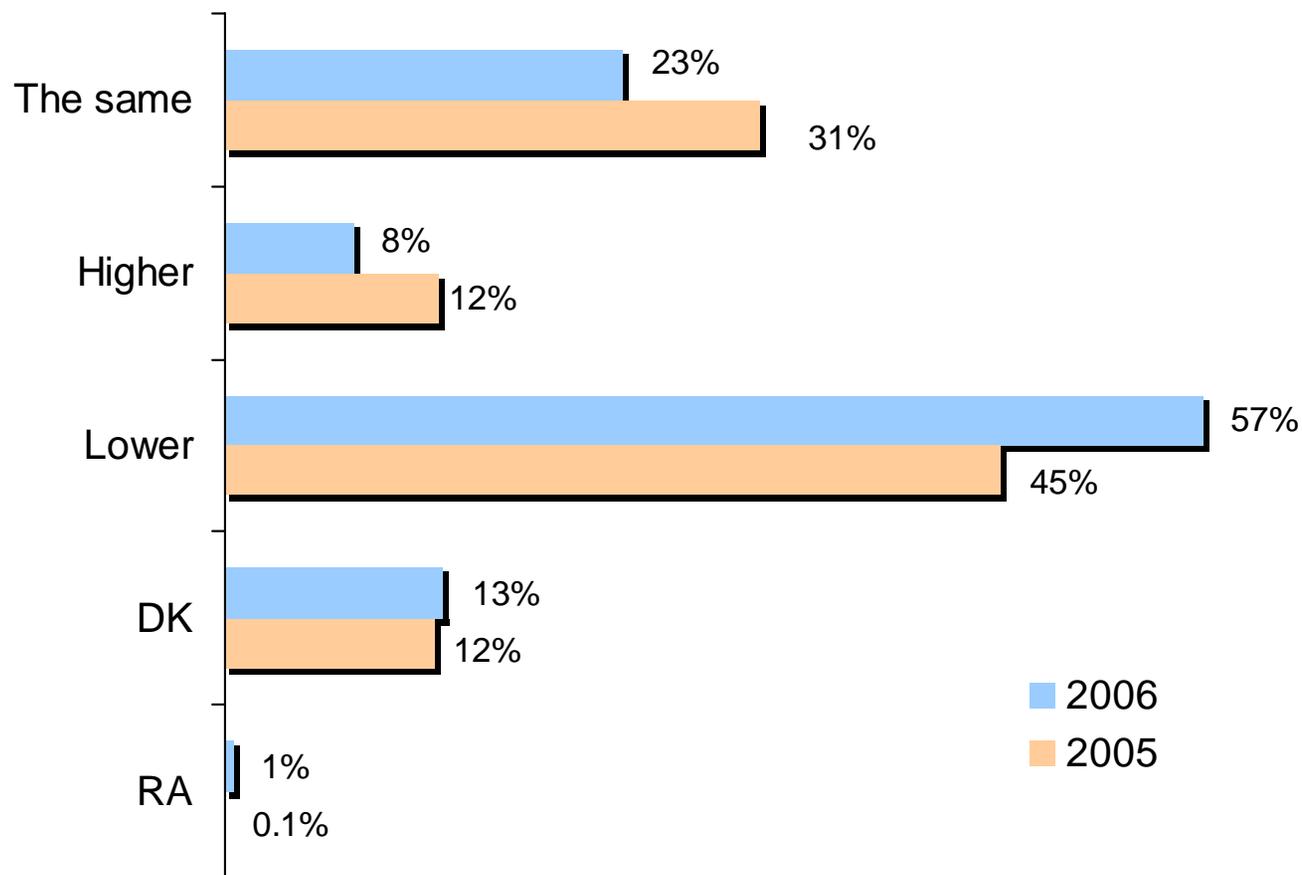
### Do you feel energy consumers who don't pay their bill facilitates corruption in the energy sector?





**USAID**  
FROM THE AMERICAN PEOPLE

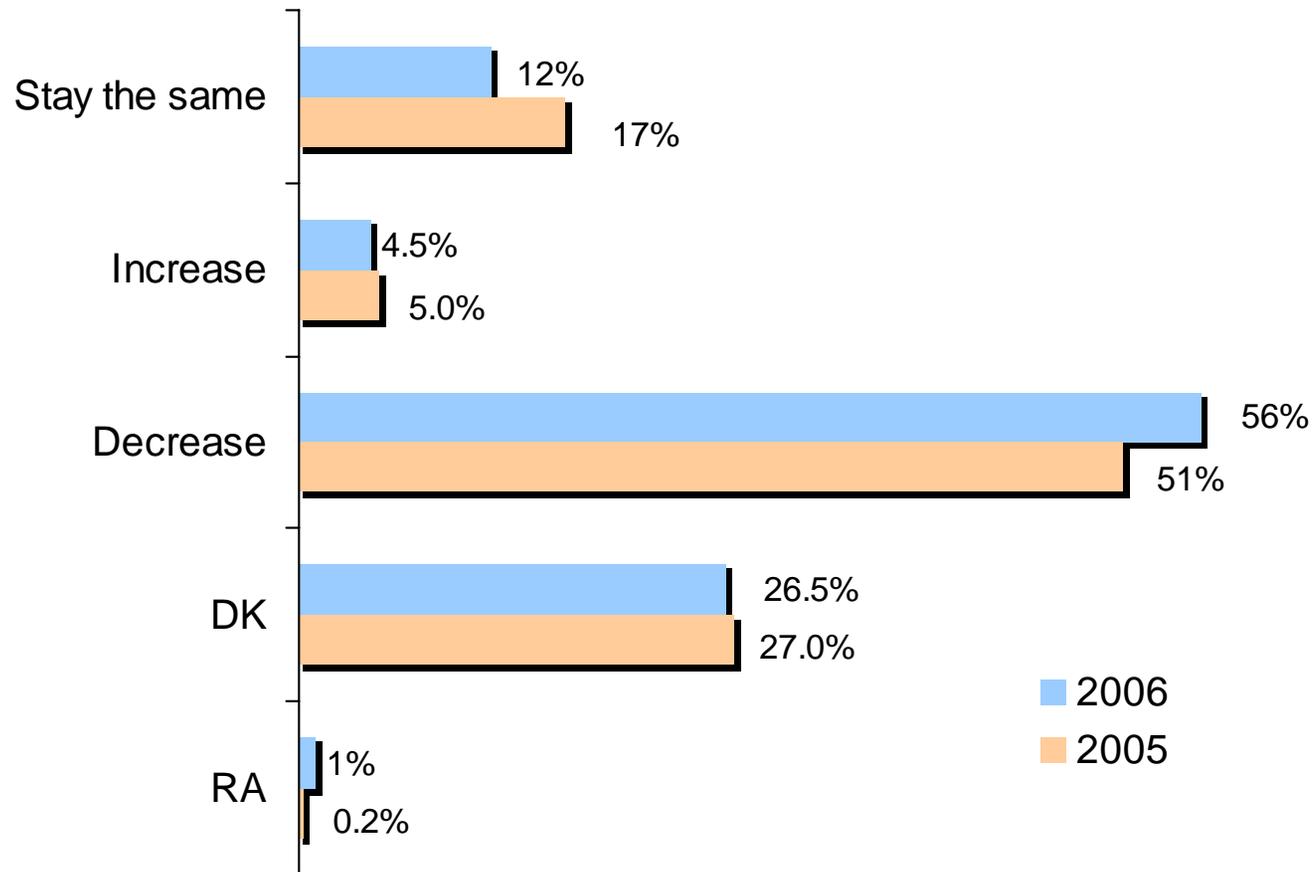
**Do you think the level of corruption in the energy sector this year is about the same, higher, or lower as in the past years?**





**USAID**  
FROM THE AMERICAN PEOPLE

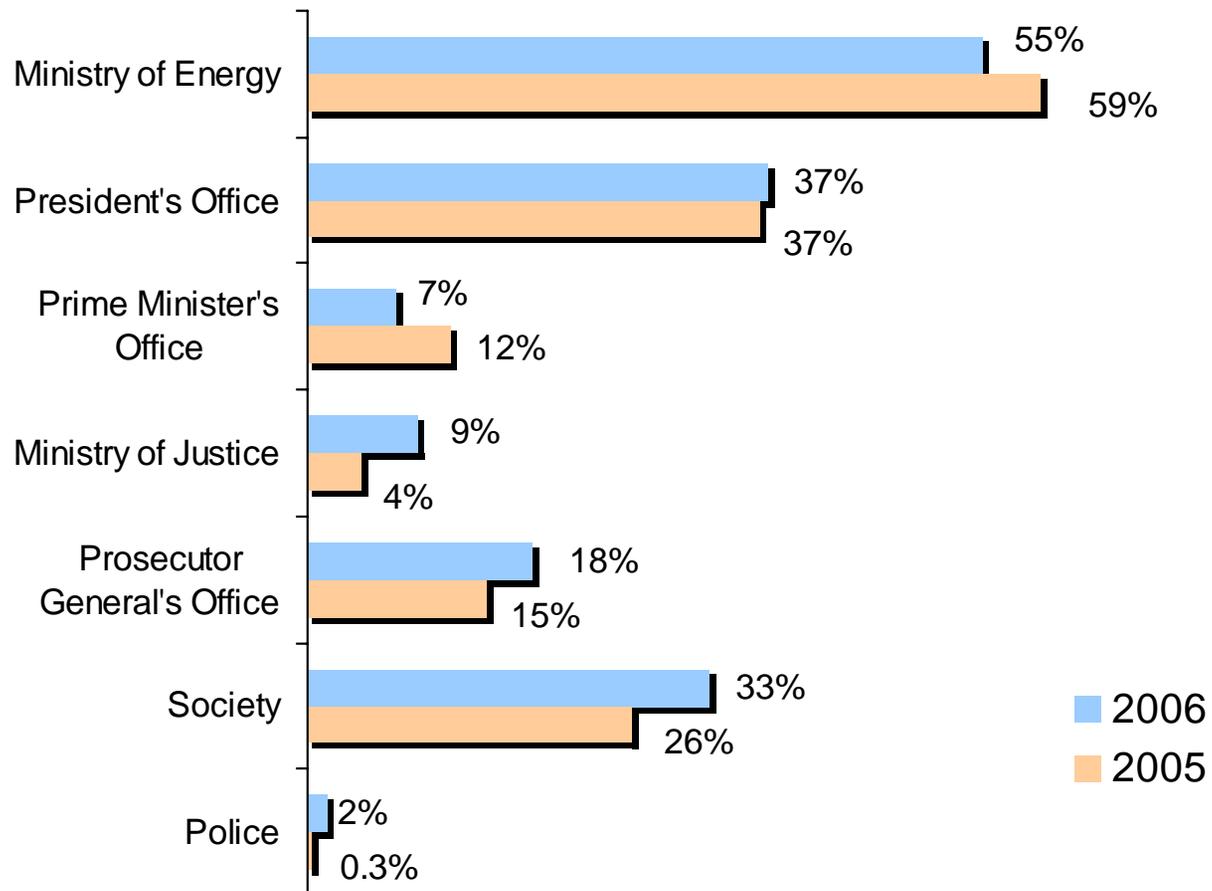
**Do you think the level of corruption in the energy sector will stay the same, increase or decrease in the future?**





**USAID**  
FROM THE AMERICAN PEOPLE

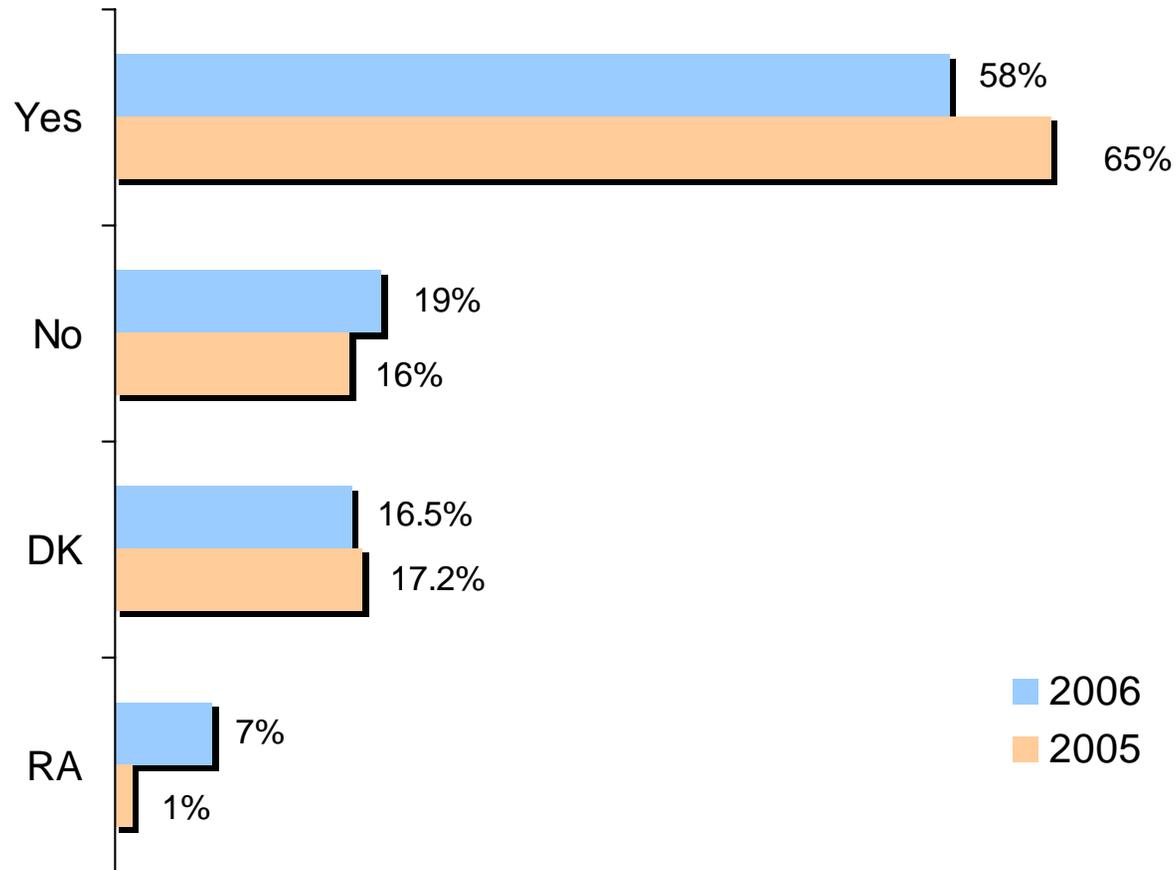
### Who do you think should lead the fight against corruption in the energy sector?





**USAID**  
FROM THE AMERICAN PEOPLE

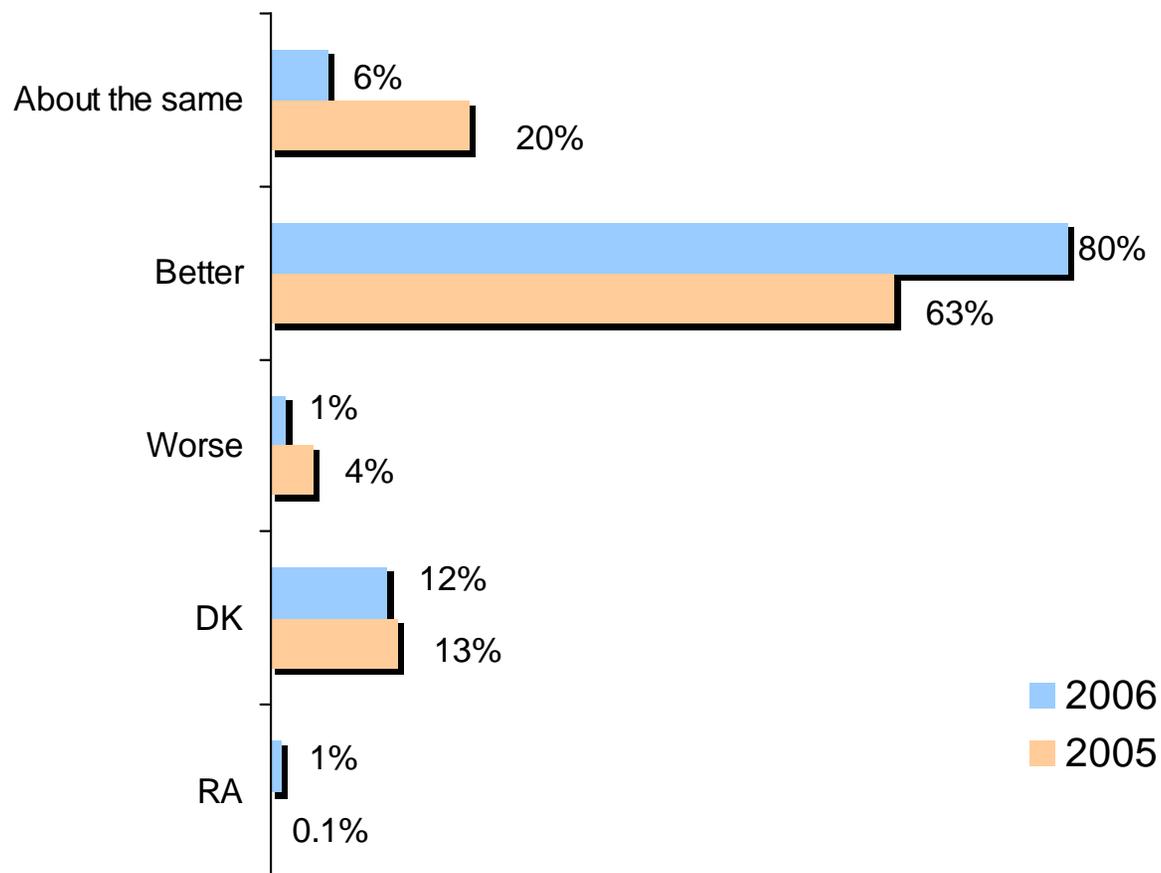
### Do you believe your household should help fight against corruption in the energy sector?





**USAID**  
FROM THE AMERICAN PEOPLE

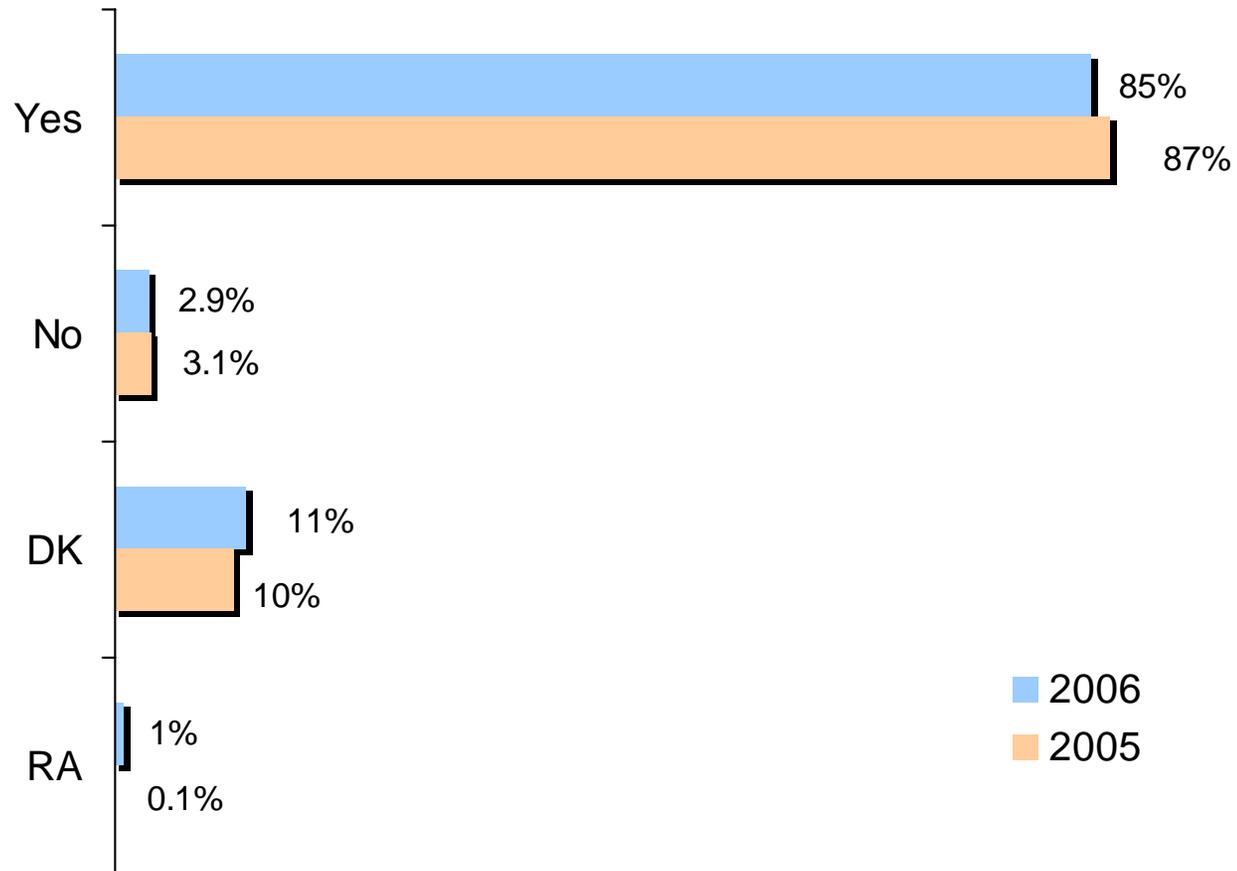
### Is the current Ministry of Energy performing about the same, better, or worse than the energy ministries in the past?





**USAID**  
FROM THE AMERICAN PEOPLE

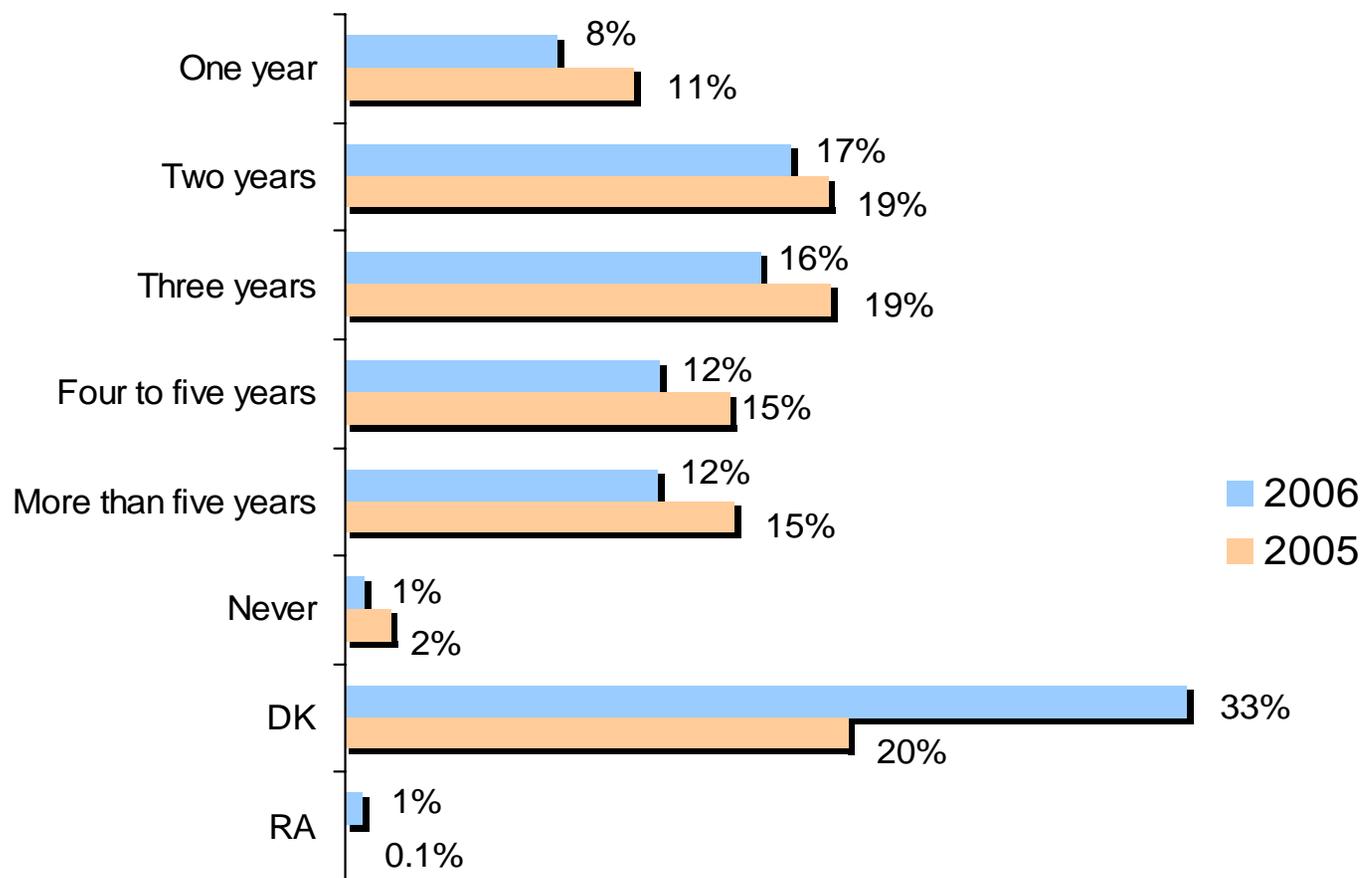
### Do you think the Ministry of Energy has the primary responsibility for solving the problems of the Georgia energy sector?





**USAID**  
FROM THE AMERICAN PEOPLE

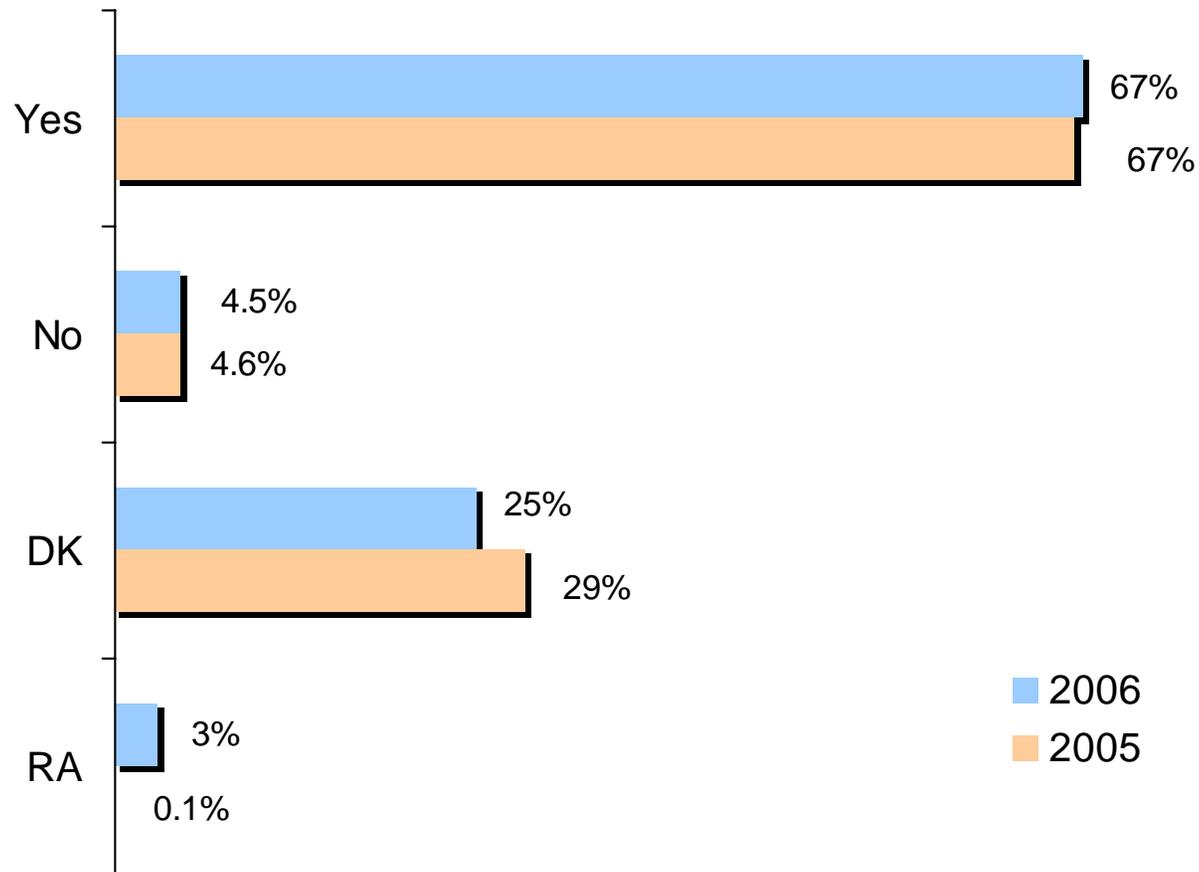
**In your opinion, about how long will it take for the overall electricity situation in Georgia to improve completely?**





**USAID**  
FROM THE AMERICAN PEOPLE

### In your opinion, will the current Ministry of Energy succeed in solving the problems of the energy sector in Georgia?





**USAID**  
FROM THE AMERICAN PEOPLE

## Key Findings – Comparative Snapshot

Twice as many respondents rated the electricity supply situation much better this year than compared to 2004-2005 winter, 56% vs. 25%. The largest differences noted among the ratings were those who thought that the situation was either “little worse” or “much worse” which amounted to a total of 16% of respondents (2005 survey) and this now compares to today’s less than 1% of respondents who thinks that situation has deteriorated.

The same trends holds true as those whose expectations back in 2005 about the situation was categorized as either being “much” or a “little worse” 31% vs. 7% in the 2006 survey.



**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings – Comparative Snapshot (cont.)**

**Expectations for the future have also positively improved, with a constant level of optimism than compared to 2005 survey. 43% of the recent surveyed respondents look at supplies for the next winter as being either a “little” or “much better”. Although the numbers are quite similar (43% vs. 46%), this is an indication of continued optimism based on previously achieved positive results.**

**The effort to install meters to individual households or community devises has steadily improved. Now 96% of households have their electricity uses monitored with reliable meters and this compares with 83% one and a half years ago.**



**USAID**  
FROM THE AMERICAN PEOPLE

## Key Findings – Comparative Snapshot (cont.)

An increase in consumer electricity rates and greater accountability is reflected in attitudes towards how electricity is considered as a product and who should have access to it and under what terms. There has been a shift by 10 percentage points downward from those who considered consumed electricity as any other commodity and should be paid for on a same basis, 65% vs. 55% as of the latest survey. There has also been a slight shift in the number who thought that the government should provide electricity free of charge, 12% vs. 9% when compared with the previous completed survey.

This year a substantially more respondents would not feel themselves obligated to pay for electricity if they would not held accountable. Those willing to pay a little or insignificant amount has decreased for 31% to 7% over the last year and a half. The same holds true for those willing to pay half, (9% vs. 13% respectively).



**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings – Comparative Snapshot (cont.)**

**Consumer's monthly electricity bill for the previous winter compared to two years ago has increased from 11.11 GEL to 18.84 GEI. Consequently twice as many households reported sharp increases in their electricity bills over a period of two years, 56% and 26% respectively. Less than 5 percent reported having paid less during the most recent reporting period.**

**Citizens have maintained the same level of confidence in the ability of MoE to resolve problems. Statistically speaking there is no difference in the confidence level compared to 2005 survey findings. (67% thinks that the MoE will succeed)**

**Those respondents who maintained in 2005 that there was corruption in a energy sector has been reduced from one in two respondents to one in three (52% vs. 35%).**



**USAID**  
FROM THE AMERICAN PEOPLE

## **Key Findings – Comparative Snapshot (cont.)**

**There also has been a shift in overall perceptions among those who thinks that the level of corruption has decreased. In 2006 more half thought that corruption in the energy sector is now lower compared to who thought so in 2005 (57% vs. 45%). Thos who previously thought that corruption is higher has also declined proportionally (12% vc. 8%)**

**Compared to 2005 survey findings, more consumers feel that the current ministry is doing better then predecessors and only a small percentage could think the opposite (80% and 63% respectively).**