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USAID ENERGY PROGRAM

USAID ENERGY PROGRAM QUARTERLY REPORT

NOVEMBER 29, 2017 – FEBRUARY 28, 2018

15 March 2018

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CONTRACT NUMBER: AID-OAA-I-13-00018

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USAID | GEORGIA

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ACRONYMS

AA	Association Agreement
ADB	Asian Development Bank
CAPEX	Capital Expenditure
CBM	Coal-Bed Methane
CMM	Coal Mine Methane
DigSILENT	Power System Software and Engineering Company
DM	Deputy Minister
ECS	Energy Community Secretariat
EnC	Energy Community
EnCT	Energy Community Treaty
ES	Energy Security
ETM	Electricity Trading Mechanism
EU	European Union
EU4Energy	Programme funded by the EU and led by the Energy Community Secretariat
GDI	Gender Diversity Index
GEDF	Georgian Energy Development Fund
GHG	Greenhouse Gas
GIG	Georgian Industrial Group
GIS	Geographic Information System
GNERC	Georgian National Energy and Water Supply Regulatory Commission
GoG	Government of Georgia
GOGC	Georgian Oil and Gas Corporation
GSE	Georgian State Electrosystem
GTU	Georgian Technical University
HPP	Hydro Power Plant
IFC	International Finance Corporation
IFI	International Financial Institution
MoESD	Ministry of Economy and Sustainable Development of Georgia
MoU	Memorandum of Understanding
MW	Megawatt
NARUC	National Association of Regulatory Utility Commissioners
NEA	National Environmental Agency
NERA	Economic Consulting
NGO	Non-Governmental Organization
NVE	Norwegian Water Resources and Energy Directorate
PMP	Performance Monitoring Plan
PPA	Power Purchase Agreement
PPD	Public Private Dialogue
PV	Photovoltaic
RIA	Regulatory Impact Assessment
SC	Steering Committee
T4T	Task 4 Team
TYNDP	Ten Year Network Development Plan
UGS	Underground Gas Storage

UNDP	United Nations Development Program
USAID	United States Agency for International Development
USEA	United States Energy Association
USoA	Uniform System of Accounts
VRE	Variable Renewable Energy
WB	World Bank
WEG	World Experience for Georgia
WG	Working Group

CONTENTS

1.0	INTRODUCTION.....	4
2.0	SUMMARY	5
3.0	PROJECT HIGHLIGHTS DURING REPORTING QUARTER	6
4.0	MANAGEMENT & OPERATIONS.....	8
4.1	Work Planning.....	8
4.2	Communication	8
4.3	Performance Monitoring Plan	8
4.4	Gender Equality	8
4.5	Youth Skill Development And Civil Participation	8
4.6	Collaboration with Other Donor-Funded Projects.....	8
5.0	PROGRESS OF ACTIVITIES BY REFORM	10
5.1	Energy Market Development (Task 1).....	10
5.1.1	Energy Markets Development Action Plan for Electricity and Gas Sectors	10
5.1.2	Electricity and Gas Markets Transition Plans	10
5.1.3	Regional Energy Cooperation	11
5.1.4	Public Outreach	11
5.1.5	Action Plan and Transition Plan Implementation	11
5.2	Institutional Strengthening and Capacity Building (Task 2).....	12
5.2.1	Regulatory Impact Analysis Tools	12
5.2.2	Capacity Building.....	12
5.3	Energy Investment Optimization (Task 3).....	13
5.3.1	Investor Advisory Group	13
5.3.2	Renewable Energy Support Scheme	13
5.3.3	Supporting Energy Investment Projects	13
5.4	Grid Integration of Variable Energy Resources (Task 4).....	14
5.5	Strategic Advisory Assistance to the GoG to Increase Energy Security (Task 5).....	15
	ANNEX 2: USAID ENERGY PROGRAM ORGANIZATIONAL CHART	16

1.0 INTRODUCTION

In October 2016, Georgia signed the Energy Community Treaty (EnCT) signaling the country's commitment to direct future energy planning and market development towards approximation with the European Union (EU). This step commits Georgia to enhancing security of energy supply by promoting the development of relevant infrastructure, increasing market integration and gradual regulatory approximation towards key elements of the EnCT, and promoting the use of renewable energy sources. In order for Georgia to meeting its strategic commitments in the energy sector, it requires technical assistance and policy advice on legal, regulatory and institutional reform issues, including facilitating investment and deal structuring, engineering and environmental analyses, financial planning, and outreach, among others.

The objective of USAID Energy Program is to support Georgia's efforts to facilitate increased investment in power generation capacity as a means to increase national energy security, facilitate economic growth, and enhance national security. The project will have a significant impact on energy market reform efforts of the Government of Georgia (GoG) to comply with the country's obligations under the EnCT. The investment objective will be achieved through the provision of technical assistance to a variety of stakeholders in the energy sector.

The purpose of USAID Energy Program is to: (1) support Georgia in energy market development per Georgia's obligations under the EnCT, (2) build the capacity of the GoG and relevant institution(s) to evaluate the fiscal and long-term impacts of regulatory changes, (3) promote energy investments, primarily in variable renewable energy development, (4) to support integration of non-hydro renewable energy into the power system, and (5) provide strategic advisory services to the GoG to increase Georgia's energy security.

The ultimate goal of this program is to enhance Georgia's energy security through improved legal and regulatory framework and increased investments in the energy sector. The ultimate expected outcome of this program is an energy market legal and regulatory framework that complies with European requirements and encourages competitive energy trade and private sector investments.

2.0 SUMMARY

This first Quarterly Report documents the results and progress made by the USAID Energy Program over the period November 29, 2017 – February 28, 2018.

The USAID Energy Program has emerged from the first quarter start-up phase, and has gained considerable momentum towards goals articulated in the Year 1 Work Plan.

Successful project activities cover a broad and diverse range of areas: establishment of Steering Committee (SC) and Working Groups (WGs) with participation of energy sector stakeholders; development of Electricity and Natural Gas Action Plans and market transitional plans; assessment and commencement of identification of potential non-hydro renewable energy projects and investor support schemes; research on Variable Renewable Energy (VRE) power production forecasting availability and prospective of their integration into the grid; overview of existing legislation covering Energy Security issues, etc.

USAID Energy Program Quarterly Report details the progress in each task in reference to corresponding areas of the USAID Energy Program Year 1 Work Plan.

3.0 PROJECT HIGHLIGHTS DURING REPORTING QUARTER

USAID ENERGY PROGRAM LAUNCH

On February 14, 2018 US Ambassador to Georgia, Ian C. Kelly, and First Vice-Prime Minister, Minister of Economy and Sustainable Development of Georgia (MoESD), Dimitry Kumsishvili, opened the launch ceremony at Georgian State Electrosystem (GSE). The event was attended by the representatives of energy stakeholders, including the government, private sector and international organizations. Jake Delphia, USAID Energy Program Chief of Party, briefed the participants on the program goals and the significance of planned achievements for the Georgian energy sector.



ESTABLISHMENT OF STEERING COMMITTEE AND WORKING GROUPS

Together with the MoESD, USAID Energy Program has initiated the establishment of a SC and the reform related WGs under its supervision. The SC will mainly discuss and agree on policy related issues at a high level, while WGs will complete work on the development of specific documents and proposals necessary for actual reform making process in the energy sector. In agreement with MoESD, the SC and five WGs were formally established: 1) Electricity Market Development WG; 2) Gas Market Development WG; 3) Renewable Energy Investment Advisory WG; 4) Donor Coordination WG; 5) Stakeholder Public Private Dialogue (PPD) WG.

THE FIRST WORKING GROUP MEETING ON INITIAL ELECTRICITY MARKET OPENING

On February 7, the first WG Meeting on Initial Electricity Market Opening was held at the MoESD to discuss the challenges associated with the May 1, 2018 market opening and to design following steps. The meeting was attended by the representatives of the energy sector entities and donor organizations. USAID Energy Program highlighted the need to develop an action plan for the WG and called for timely actions. USAID Energy Program will support MoESD in the market opening process.



4.0 MANAGEMENT & OPERATIONS

4.1 WORK PLANNING

USAID Energy Program uses quarterly reports to add or revise upcoming activities during Year 1. These adjustments will be made in consultation with USAID during scheduled meetings, and new (or cancelled) activities may be added to the work plan in each Quarterly Report.

4.2 COMMUNICATION

Over the first quarter, USAID Energy Program implemented activities outlined in its Communication Plan, including regular weekly reports to USAID. USAID Energy Program plans to create the program's Facebook page, primarily focusing on outreach, and engagement with the project constituents, journalists and youth.

Table 1: Year 1 Outputs

OUTPUTS	STATUS
Project profile brochure	Completed
Weekly, quarterly and annual reporting	In progress
Newsletters	In progress
Press releases	In progress
Success stories	In progress
Event briefing reports (event memos)	In progress
USAID DEC report submission of approved deliverables on weekly basis	In progress
Use of social media tool (Facebook)	In progress

4.3 PERFORMANCE MONITORING PLAN

USAID Energy Program will submit required Geographic Information System (GIS) compatible information about the project activities to USAID as required. The project will fill out the relevant template and submit to the USAID office.

Table 2: Year 1 Outputs, Performance Monitoring Plan (PMP)

OUTPUTS	STATUS
Annual GIS Reporting	In progress
Annual PMP Reporting	In progress

4.4 GENDER EQUALITY

USAID Energy Program held a series of meetings with a Georgian National Energy and Water Supply Regulatory Commission (GNERC) Commissioner, Gender and Youth Inclusion Director at San Diego State University and the Dean of Power Engineering at Georgian Technical University (GTU) to discuss Gender Diversity Index (GDI) developed within the framework of USAID Energy Program. Parties highlighted their intention to support women's integration in the energy sector and to advice and guide them through the contemporary challenges they face today. USAID Energy Program in cooperation with USAID project Governing for Growth (G4G) in Georgia scheduled to organize a Women Empowerment Week in the framework of the annual Conference "Women's Role in Energy, Transport and Logistics" on March 27-30, 2018.

4.5 YOUTH SKILL DEVELOPMENT AND CIVIL PARTICIPATION

USAID Energy Program mobilized internship program for university students to build their professional skills and capacity to participate in USAID Energy Program supported energy (electricity and gas) market development. It includes institutional strengthening and capacity building regarding competitive energy markets and cross-border electricity trade, energy investment optimization, grid integration of VRE and assistance to Increase Energy Security, policy reform formulation, advocacy and PPD. Also, during the reporting period USAID Energy Program designed a youth program to build the students' capacity to effectively advocate for reforms (see section 5.1.1).

4.6 COLLABORATION WITH OTHER DONOR-FUNDED PROJECTS

USAID Energy Program closely cooperates with other donors participating in the development of Georgia's energy sector. Cooperation details during Quarter 1 of Year 1 are as follows:

EU: USAID Energy Program works with EU4Energy, implemented by the Energy Community Secretariat (ECS), which is supporting the GoG in development of the electricity market concept, market opening and improvement of the legislative and regulatory framework for energy in Georgia.

EBRD (European Bank for Reconstruction and Development): USAID Energy Program met EBRD to discuss their involvement in the natural gas sector of Georgia and particularly their participation in financing the proposed Underground Gas Storage (UGS) facility in Samgori. EBRD commissioned NERA Economic Consulting to support the EBRD in analyzing gas storage tariff framework. Based on the study outcomes and the Georgian Oil and Gas Corporation (GOGC) requirements, EBRD decided not to participate in UGS project financing. The decision was stipulated by two reasons: (1) According to GOGC they have found cheaper finance sources, and (2) the absence of regulatory prerequisites for loan repayments. Currently, there is no specific technical assistance or project development under EBRD related to gas market of Georgia.

Danish International Development Agency: USAID Energy Program, Norwegian Water Resources and Energy Directorate and "NVE-NIRAS" (consortium of Danish Company "Niras") experts will cooperate in the development process of a draft law on Enhancing Energy Production from Renewable Energy Sources and in performance of Regulatory Impact Assessment (RIA) following the intensive PPD. It was also agreed that USAID Energy Program will participate in organizing the workshop committed to the above mentioned topics.

IFC (International Finance Corporation): USAID Energy Program works with IFC to cooperate in the development of Electricity Market Transitional Plan and Natural Gas Market Transitional Plan. USAID Energy Program also introduced IFC to upcoming changes and the USAID Energy Program support of VRE in Georgia. IFC shared their experience, knowledge and challenges in pursuing VRE programs.

WB (World Bank): USAID Energy Program collaborates with WB in assisting the GoG in the development of competitive energy market. USAID Energy Program will support WB's consultants by guiding and providing information on Electricity and Gas Market Concepts and Electricity Trading Mechanism (ETM).

UNDP (United Nations Development Program): USAID Energy Program met UNDP Project on Biomass Promotion to obtain information on the existing and potential non-hydropower VRE projects and their developers in Georgia. As a result, the list of VRE projects was updated and existing information collected and specified.

ADB (Asian Development Bank): USAID Energy Program works with ADB on identifying the existing and potential VRE projects in Georgia. The ADB has expressed interest in financing rooftop solar projects across Georgia.

NARUC (National Association of Regulatory Utility Commissioners) **and USEA** (United States Energy Association): USAID Energy Program met the representatives of NARUC Black Sea Regulators Initiative and with the USEA. The aim of the initiative is to harmonize regulations for cross border energy trading in the region. The USEA is particularly analyzing the possibility of supplying cross border energy balancing services.

5.0 PROGRESS OF ACTIVITIES BY REFORM

5.1 ENERGY MARKET DEVELOPMENT (TASK 1)

PROGRESS AGAINST THE WORK PLAN

5.1.1 ENERGY MARKETS DEVELOPMENT ACTION PLAN FOR ELECTRICITY AND GAS SECTORS

The task team introduced the draft Electricity and Natural Gas Action Plans at the Energy Donors Meetings held by MoESD on January 18, 2018. The action plans consider the list of necessary activities to be undertaken for reforming the sector in compliance with EU-Georgian Association Agreement (AA) and Accession Protocol to the EnCT requirements. As per MoESD, at first stage they would circulate the action plans among stakeholders for their comments and further to the ECS for review. Next discussion is intended to be held within the scope of SC, planned in the beginning of Quarter 2, with participation of ECS representatives.

A natural gas market development action plan was developed based on the analysis of secondary legislation list prepared by the ECS, and information provided by MoESD, GNERC and GOGC. In addition, the team reviewed the draft roadmap for developing legislation on gas storage, prepared under ADB.

5.1.2 ELECTRICITY AND GAS MARKETS TRANSITION PLANS

At the request of Deputy Minister (DM) of MoESD, the task team developed a presentation on the strategy concept for Georgia: "Development perspectives for Georgia: through competitive energy to competitive economy". The focal points of the presentation were: the energy market reforms, increased renewable energy promotion and energy security issues. The presentation was reviewed by USAID and delivered to the DM George Chikovani.

A draft high level presentation of the Electricity Market Transitional Plan was also prepared and shared with the DM George Chikovani to establish the overall direction of the transition to the new electricity market model. The transition plan itself is under development by USAID Energy Program team. The gas Market Transition Plan is under development as well.

USAID Energy Program held several meetings at GNERC to discuss the list of activities for the electricity and natural gas sectors, in which GNERC requires assistance from USAID Energy Program. The main topics of discussion included the type of assistance, deadlines and expected results.

The priority topics from GNERC's list are as follows: gas storage scenarios (access regimes and tariffs), gas market rules, transmission entry-exit tariff system methodology and Uniform System of Accounts (USoA) for gas. USAID Energy Program Gas team discussed the presentation "The value of gas storage" and the additional issues that might be included for further discussion with the stakeholders. Market concept design and gas storage creation were identified as the main priorities to be described by USAID Energy Program Gas Team. GNERC expressed interest and asked projects support in conducting the assessment related analysis for various scenarios of gas storage regulation (commercial, strategic or mixed). Based on discussion, the USAID Energy Program will develop a presentation on gas market concept and gas storage scenarios for Georgia for related stakeholders, including MoESD, GNERC, and GOGC.

USAID Energy Program developed a draft presentation on UGS, describing its role, functions, and regulatory aspects. The presentation includes a case study from Bulgaria. Presentations are planned to be made to GNERC and MoESD as a part of a capacity building activity.

The task team held a meeting with GOGC officials. The main topics envisaged the followings: 1) priority (urgent) primary legislative provisions and secondary acts for GOGC to address the EU Energy Community (EnC) requirements; 2) Status update on planned underground natural gas storage facility; and 3) GOGC's position and thoughts on unbundling requirements. GOGC urges the adoption of a draft Electricity and Gas law developed by ECS. The sector needs to have a natural gas market concept design before the development of secondary legislation.

The task team has analyzed the NERA report on the UGS. The report will be used for undergoing storage tariff analysis.

The task team met with the head of the State Agency of Oil and Gas to better understand the role of the Agency in regulating the Natural Gas Market, especially the regulations related to the proposed natural gas storage facility planned to be developed in Ninotsminda in a depleted oil field.

5.1.3 REGIONAL ENERGY COOPERATION

During the reporting period, a presentation was prepared for MoESD on regional market development based on the regional analysis and studies.

5.1.4 PUBLIC OUTREACH

No specific activities were implemented during quarter 1.

5.1.5 ACTION PLAN AND TRANSITION PLAN IMPLEMENTATION

No specific activities were implemented during quarter 1.

5.2 INSTITUTIONAL STRENGTHENING AND CAPACITY BUILDING (TASK 2)

PROGRESS AGAINST THE WORK PLAN

5.2.1 REGULATORY IMPACT ANALYSIS TOOLS

No specific activities were implemented during Quarter 1

5.2.2 CAPACITY BUILDING

USAID Energy Program conducted numerous trainings at the MoESD and GNERC (refer to 5.1.2.).

Team is also developing a draft communication strategy for electricity market opening, which will be finalized and presented to the MoESD in Q2 of Y1.

5.3 ENERGY INVESTMENT OPTIMIZATION (TASK 3)

PROGRESS AGAINST THE WORK PLAN

5.3.1 INVESTOR ADVISORY GROUP

During the reporting period, USAID Energy Program met with the International Donors and Financial Institutions, VRE developers, GNERC, MoESD and Non-Governmental Organizations (NGOs) involved in VRE production. Meetings with the International Financial Institutions (IFIs) were aimed at becoming familiar with their approach to VRE funding, introducing them to upcoming electricity market changes and USAID Energy Program support to VRE in Georgia. USAID Energy Program organized meetings with other stakeholders focusing on the current status, challenges and established practices in pursuing VRE programs. USAID Energy Program acquainted stakeholders on the forthcoming establishment of the Investor Advisory Group.

5.3.2 RENEWABLE ENERGY SUPPORT SCHEME

The methodology to finalize the list of around ten projects in support of Task 3 was finalized during Quarter 1 of Year 1. Meetings with the conversant key informants (e.g., IFIs and developers) greatly facilitated to creation of a long list of non-hydro renewable projects. USAID Energy Program met with the MoESD Investment Department and obtained the list of 32 non-hydro renewable projects with signed Memorandum of Understanding (MoUs) with the GoG.

Meetings with the key informants revealed that apart from the early stage opportunities (e.g., wind, solar, biomass) there is a shortage of well documented projects. In the second quarter, USAID Energy Program will undertake activities to identify these less known projects being at an early stage of their lifecycle. The existing long list of the projects is currently being refined and will be narrowed down into feasible short list, subject to further prioritization, in order to be considered by the relevant staff.

In parallel to identifying projects, USAID Energy Program prepared a preliminary list of around 140 criteria (data elements) that will be collected for each project. The criteria include informational criteria (things that are good to know, and just informative), threshold criteria (yes-no considerations, such as being larger than 5 MW) and prioritization criteria (among projects that meet the threshold requirements, which are the most favorable for program support).

USAID Energy Program anticipates all site visits to be completed and pertinent information collected for decision making by the mid-April.

5.3.3 SUPPORTING ENERGY INVESTMENT PROJECTS

In pursuit of the energy investment project, the task team obtained insights from developers and financial institution regarding the challenges facing the movement towards VREs. The existing situation disclosed several hindering factors such as: vague situation with Power Purchase Agreements (PPAs), GSEs readiness to integrate renewables, high Capital Expenditure (CAPEX) and overall lack of stakeholders' awareness. Further, USAID Energy Program will design the practical steps aimed at overcoming the above listed issues.

The agreed field of cooperation considers the examination of changes in the enabling environment for renewable power plants that impact both capital and operating costs. It also envisages the development of innovative financial mechanisms applied in other countries and renewable energy incentive programs commonly used in Europe pursuant to EU energy legislation.

NVE NIRAS experts are in the process of developing a draft Renewable Energy Law in accordance with the Directive 2009/28/EC. The draft law is planned to be developed and a RIA performed by the end of June, with the final draft scheduled for September following the intensive PPDs.

NVE NIRAS and USAID Energy Program agreed to hold regular meetings and coordinate in the development process of draft Renewable Energy Law and RIA. Also, it was agreed that USAID Energy Program will be engaged in organizing workshops.

5.4 GRID INTEGRATION OF VARIABLE ENERGY RESOURCES (TASK 4)

PROGRESS AGAINST THE WORK PLAN

The development of VRE Forecasting System Design and Implementation Plan and its predecessors considered under the Task 4 are now in the early startup stage. Task 4 team (T4T) organized several meetings with potential stakeholders: MoESD, VRE projects developers, GSE, National Environmental Agency (NEA), also established communication with suppliers of service providers. All those meetings provided basis for discussions which will foster the design and creation of an action plan.

During the first quarter, as a result of the cooperation with more than ten suppliers of VRE forecasting, T4T obtained information on general specifications of services applicable to the region such as: availability of power production forecasting for both Wind and Solar, type of model proposed for forecast, forecasting period, the intervals of forecast update, requirement in real time data, Meteorological Prognosis Model and the available level of uncertainty for forecasting.

The aim of establishing contact was to check the interest of forecasting providers on the provision of the forecasting services in Georgia and rough cost of project and service provision, which in case of several suppliers will be dependent on the installed capacity of VRE projects.

Currently, T4T maintains communication with up to five suppliers, who expressed interest and responded to request on provision of services. The summary of services offered by the suppliers (without the indication of suppliers) was used as a basis for discussion of forecasting concept with GSE and NEA.

In Georgia, there are 1500 MWs of VRE projects (solar, wind) under the technical economical – feasibility study stage. GSE's Ten Year Network Development Plan (TYNDP) 2017-2027 is proposes the limitation the capacity of VRE integration into the transmission network both in time and spatial scale. The plan considers nine zones for VRE development and 400 MW limited capability to integrate VRE projects at the end of 2030. GSE grid current capability to integrate VRE (should be distributed among the nine zones mentioned in TYNDP) is being evaluated by DigSILENT. The study is planned to be completed (confirm or update grid capability to integrate the VRE capacity) by the end of 2018.

At this stage, only one wind project, Qartly Wind Farm, is operating in Georgia. As for other VRE projects, only submission date is known for the Feasibility Study to GoG. However, there is still uncertainty regarding each project's implementation commencement date. After USAID Energy Program provided an update to GSE on capabilities and general technical specifications of services, GSE suggested the concept which considers moving towards the forecasting of both wind speed forecasting and VRE power production forecast in a manner provided below:

1. Wind Speed Forecast and Power Production forecasts at the Qartli Wind Farm Site;
2. Wind Speed Forecast for nine zones mentioned in TYNDP or VRE projects scale;
3. Together with item 1 and 2 from this list, look for the availability of the tool for wind speed to power production conversion;
4. Together with item 1,2,3 from this list, look for the availability of capacity building (on job training and study tours);
5. Together with item 1,2,3,4 from this list, look for the availability to check the correctness of the wind speed forecasts provided for each zone or VRE production scale.

The last three items consider the availability of the non-stationary equipment capable of measuring wind speed at different heights up to 120 meters without the installation of the meteorological tower and fixing anemometers on the tower. However, training on operation and calibration of the equipment would be required as well.

VRE power production forecasting and wind speed prognoses proposed for such forecasting are new and underdeveloped in Georgia. There are no clear requirements on the forecasting uncertainty level, spatial scale of the wind speed and power production forecast. GSE aims to ensure the development of in house capacity, which at a later stage will be utilized in GSE's network operation and planning activities.

The development of above provided concept on forecasting requires the provision of very precise wind speed forecasts. In that regard, 1) the velocity forecast temporal resolution, 2) horizontal resolution, 3) probably the vertical levels and 4) update intervals should be preliminarily determined in order to check the availability of such forecasts from the NEA (responsible for meteorological prognosis and operation of meteorological infrastructure) and responded suppliers.

During the project startup phase, T4T organized several meetings with the Georgian Energy Development Fund (GEDF) which fostered the cooperation agreement between the GEDF and USAID Energy Program.

5.5 STRATEGIC ADVISORY ASSISTANCE TO THE GOG TO INCREASE ENERGY SECURITY (TASK 5)

PROGRESS AGAINST THE WORK PLAN

During the reporting period, Georgian Industrial Group (GIG) requested USAID Energy Program to assist in addressing Coal-Bed Methane and Coal Mine Methane (CBM/CMM) issues and provided in the Coal and Methane Resources Study in support of the analysis. A power point presentation on CMM and CBM, including perspectives for Georgia, was prepared and delivered to USAID at the US Embassy on January 20, 2018. The presentation envisaged the worldwide experience of CMM extraction technologies, development trends and CMM/CBM potential projects in Georgia. The presentation was followed by discussions and gained interest of USAID. As a follow-up of the meeting, USAID Energy Program continued gathering information on CBM and CMM potential in Georgia and held a meeting with the representatives of GIG, USAID representatives and officials from the US Embassy. In addition, USAID Energy Program representatives organized a site-visit in Tkibuli-Shaori coal mine territory to overview coal power plant, coal enrichment plant and potential CBM fields.

USAID Energy Program developed a list of potential security of supply issues, relevant for Georgia. After prioritization, certain issues will be studied by USAID Energy Program. The initial list envisages the energy security issues for Georgian electricity, natural gas and power to gas sectors. In total, more than 40 energy security questions/issues were identified. The team reviewed Georgian legislation and documents and international studies pertinent to Georgia's Energy Security.

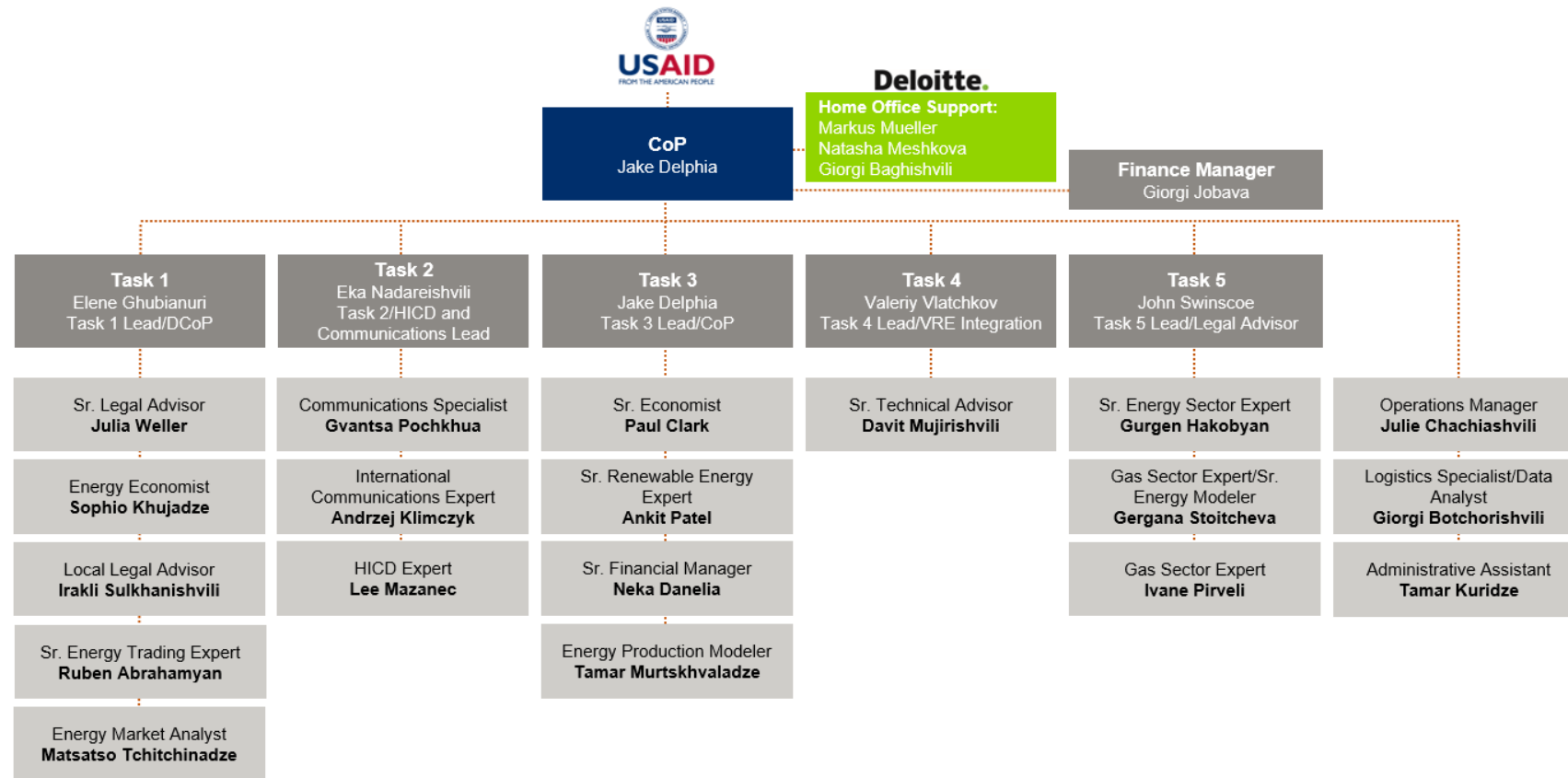
Based on this initial analysis, the task team developed a presentation on preliminary list of energy security issues and concepts for prioritization criteria. The presentation was delivered to USAID at the US embassy in Tbilisi, which was followed by the comments and feedback from USAID.

A meeting was also held with Director of World Experience for Georgia (WEG), Murman Margvelashvili, with the purpose to discuss aspects related to Georgian Energy Security. The overall objective, concepts, approach, activities and status were presented by the representatives of USAID Energy Program. The presentation on identified energy security issues, previously provided to the USAID and US Embassy, was briefly presented to the WEG. According to Mr. Margvelashvili, a workshop on energy security related aspects is planned in Romania around mid-April. It was agreed to organize regular follow up meetings between WEG and USAID Energy Program. A possibility of organizing joint workshops, subject to USAID co-branding regulations, was among the discussed topics as well. WEG provided its comments and suggestions to the Energy Security presentation.

USAID Energy Program team will continue further consultations with all relevant parties. USAID Energy Program has analyzed statistical data and information regarding the generation of Enguri and Vardnili Hydro Power Plant (HPP) vs consumption of Abkhazia. As a part of the energy security assessment, the primary and secondary legislation, high-level national security and energy policy documents and network development plans related to energy security issues of Georgia were analyzed and corresponding report was drafted. The team continues working on the development of the energy security assessment methodology based on the international best practice.

The task team started coordination with Open World and USAID for supporting staff members from Enguri power plant to attend training in April 2018 in Washington State, organized by Open World. Upon the decision of task team, USAID Energy Program representative will attend the training in Washington as group facilitator.

ANNEX 2: USAID ENERGY PROGRAM ORGANIZATIONAL CHART



Cross Cutting Activities

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