



**Georgian National Energy and Water Supply
Regulatory Commission**

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Regulatory Framework of Third Party Access (Connection to the Network)



REGULATION FOR DEVELOPMENT

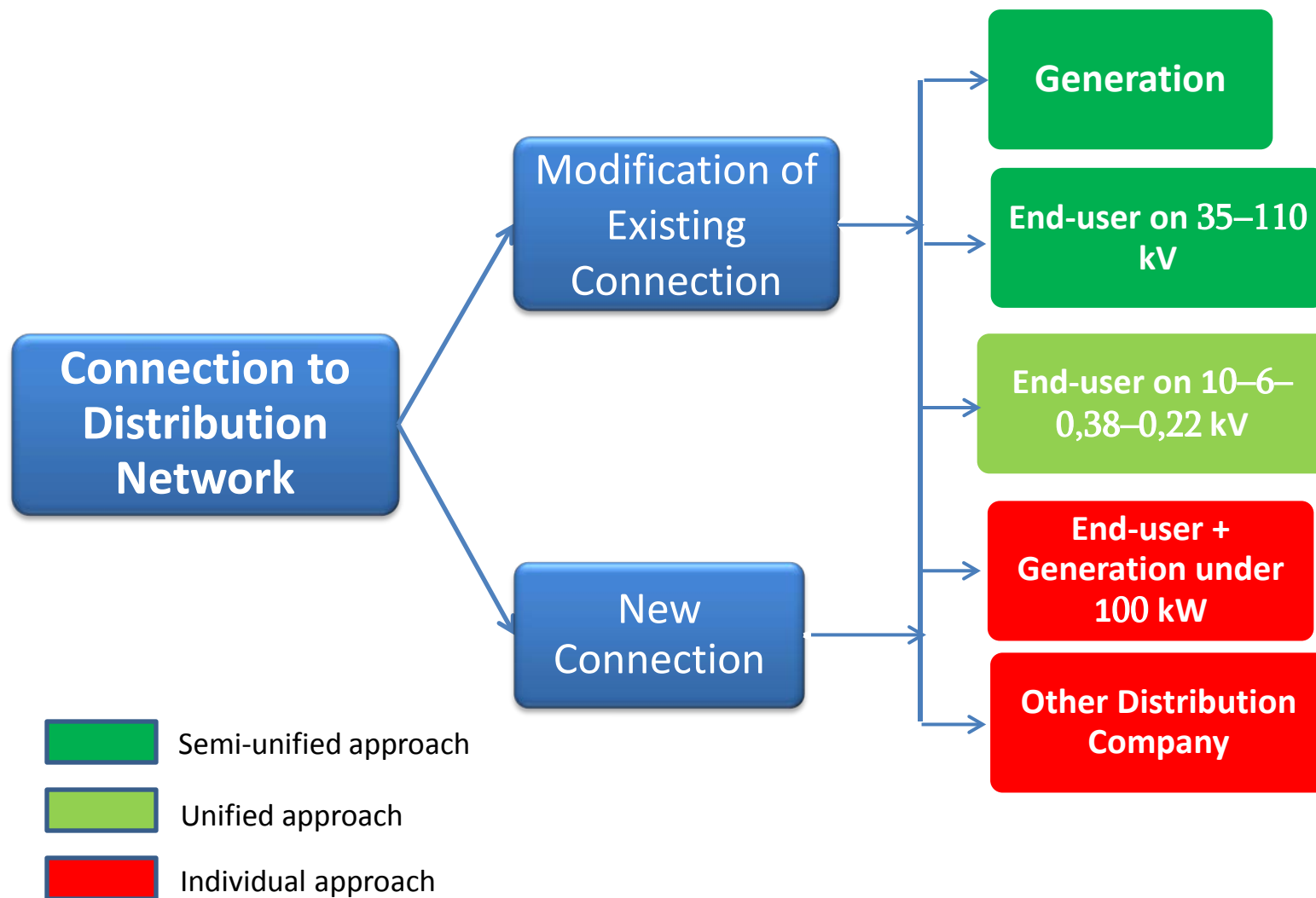
Content

- Principles of the Third Party Access
- Condition of Usage of the transmission and distribution network
- **Connection to the distribution and transmission network**
- Conditions for electricity transit
- Investment attractiveness

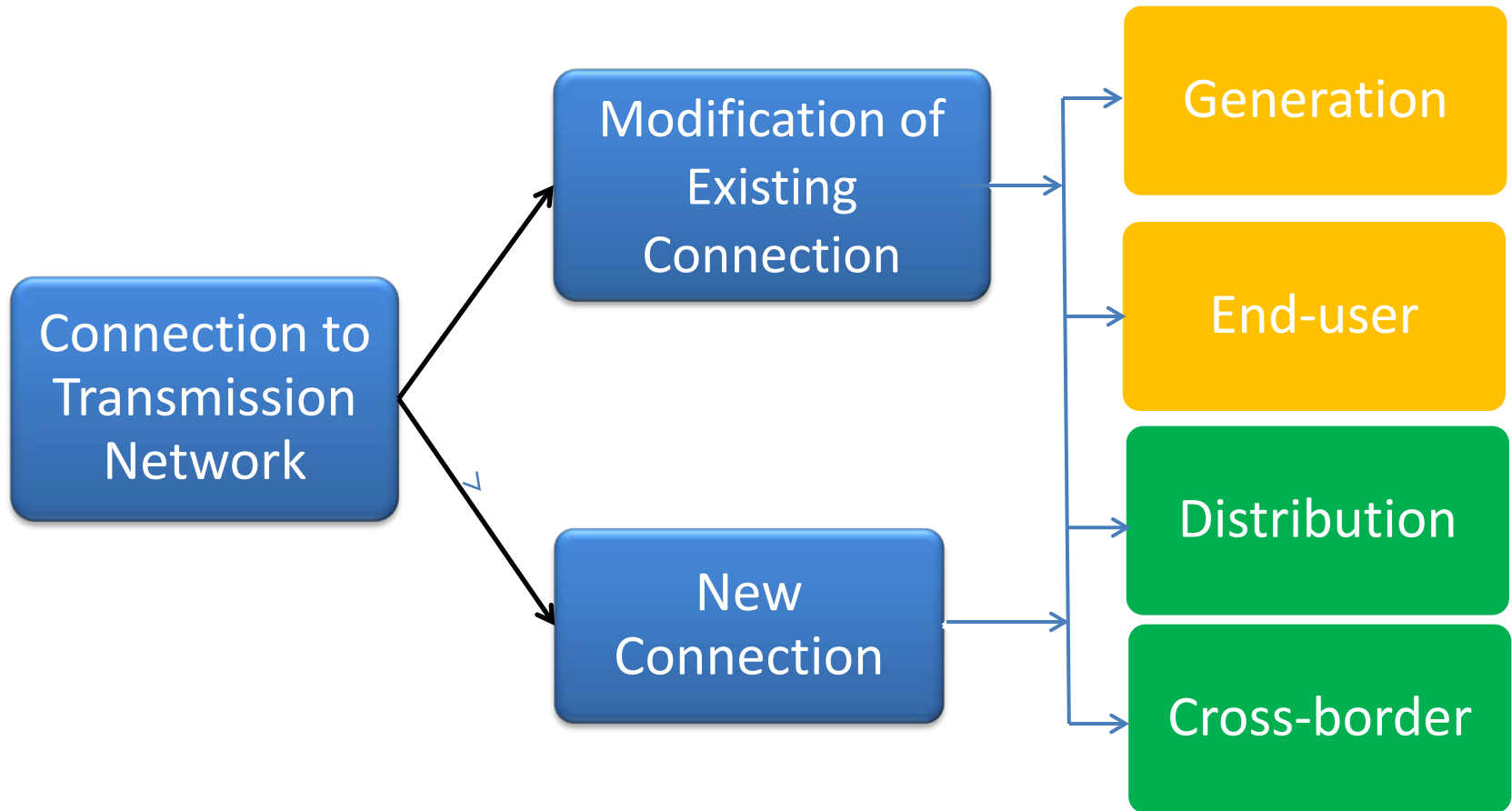
Principles of the Third Party Access

- Provision of transparent and non-discriminatory rules and procedures on transmission (including cross-border) and distribution network usage and connection to the network:
 - Electricity end-user customer;
 - New generation utility (including mainly renewable energy);
 - Electricity traders (including exporters and importers) and electricity suppliers;
- Investor-friendly regulatory and legal framework to protect their rights;

Connection to Distribution Network



Connection to Transmission Network

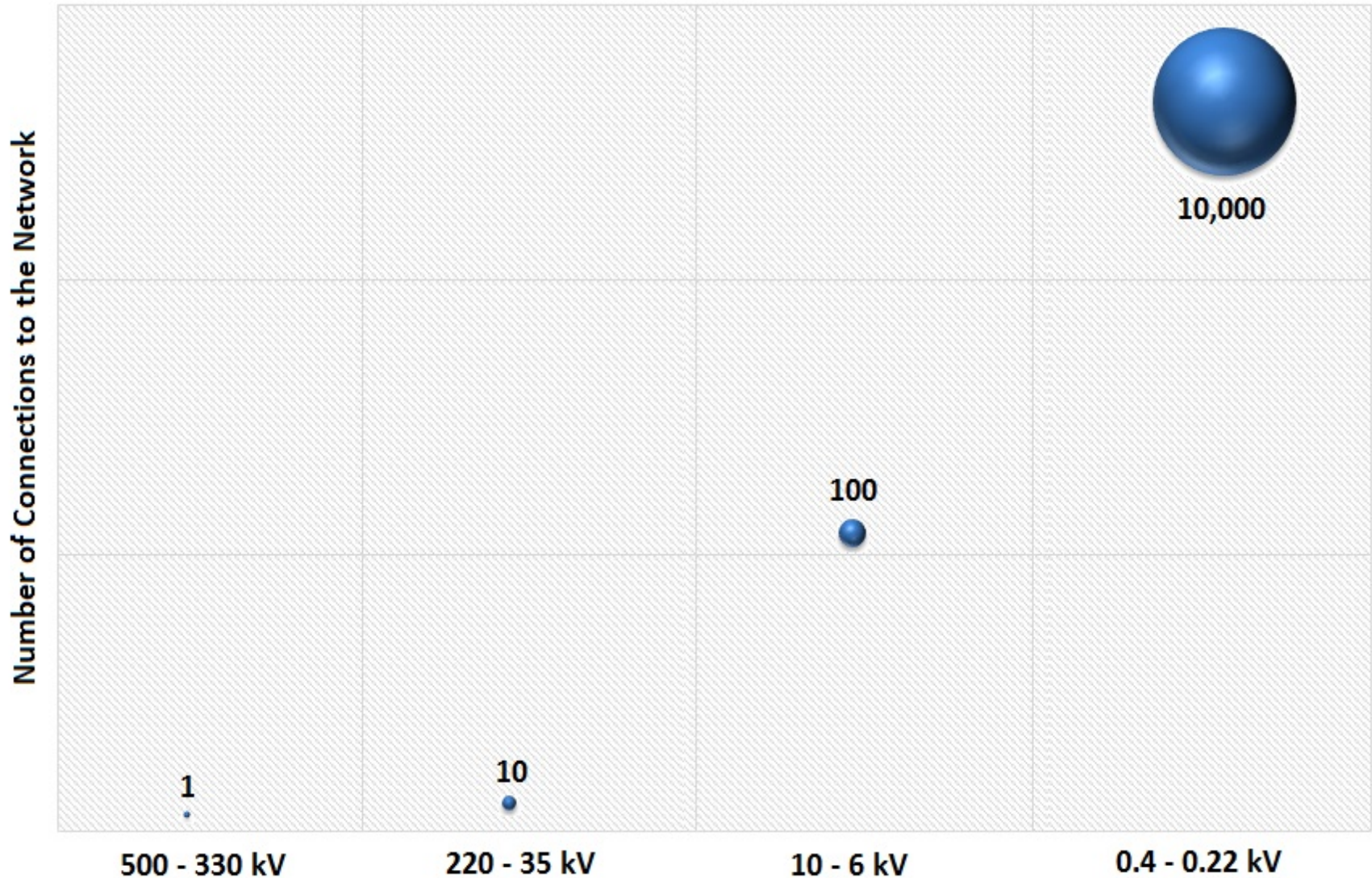


Compensation thought connection fee

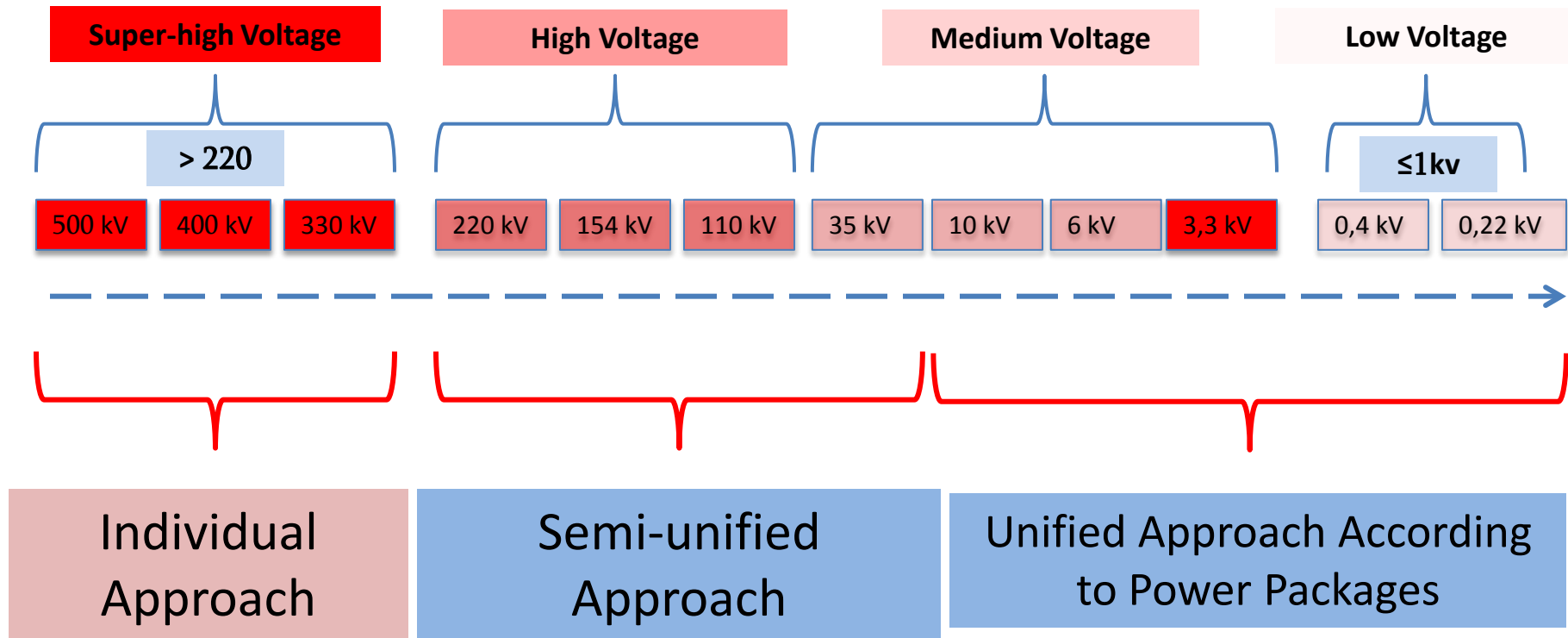


Compensation thought network tariff

Annual number of connections to the network according to voltage Levels



Compensation of Connection Cost



Unified Approach

- Carried out as a one window principle:
 - End-user fills the application form
 - Pays fixed fee (50%- beforehand, 50% - afterwards)
- Carried out within fixed time period;
- In case of violation of the time periods penalties are used for the benefit of end-user;
- Unified price is set according to voltage levels and power packages
- Detailed procedures are set in the “Electricity (capacity) Supply and Consumption Rules”

Semi-unified Approach

- Connection procedure includes following stages:
 - Application submission – Delivery of the connection offer
 - Design – external and internal network building process
 - Testing – connection to the network – commissioning of metering point
- First stage fee is unified according to voltage levels and carried out within the limited time period
- Second and third stages are set as procedures and carried out within the limited time period
- Second stage can be carried out by the competent legal person if agreement between network owner and applicant is not achieved.
- Detailed procedures are set in the “Electricity (capacity) Supply and Consumption Rules”



Individual Approach

- Only general procedure is set
- Is not limited in time, but it is reflected in the Ten Year Network Development Plan and transmission licensee's Three Year Program which are agreed with the Commission;
- In case of connection on the cross-border and inner system lines, compensation of connection fee is carried out through network tariffs
- In case of connection of qualified customer (direct Customers and generation utilities) on super high voltage connection fee is fully borne by the applicant according to individual project and estimated cost
- Detailed procedures are set in the “Electricity (capacity) Supply and Consumption Rules”



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Thank You!

