



INCREASING GEORGIAN ENERGY SECURITY

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MAJOR GOALS OF THE ENERGY POLICY OF GEORGIA

- **Fully meet energy demand of industry and population**
- **Achievement of economic and financial sustainability of the energy sector**
- **Provision of energy security (technical, economical and political factors)**
- **Diversification of the supply sources of power carriers**

MAIN DIRECTIONS OF ENERGY SECURITY

- **Rehabilitation of Power transmission lines and oil and gas pipelines**
 - Rehabilitation of oil and gas pipelines
 - Rehabilitation of power plants
 - Re-metering
- **New Constructions**
 - Khudony HPP
 - 500 kV line connection to Turkey

RELATIONSHIPS WITH NEIGHBOURING COUNTRIES

– Azerbaijan

- Agreement about operation in parallel regime

– Turkey

- Contract about power exchange

– Russian Federation

- Signing contract with RAO UES RUSSIA

MAP OF PRIVATISED POWER PLANTS



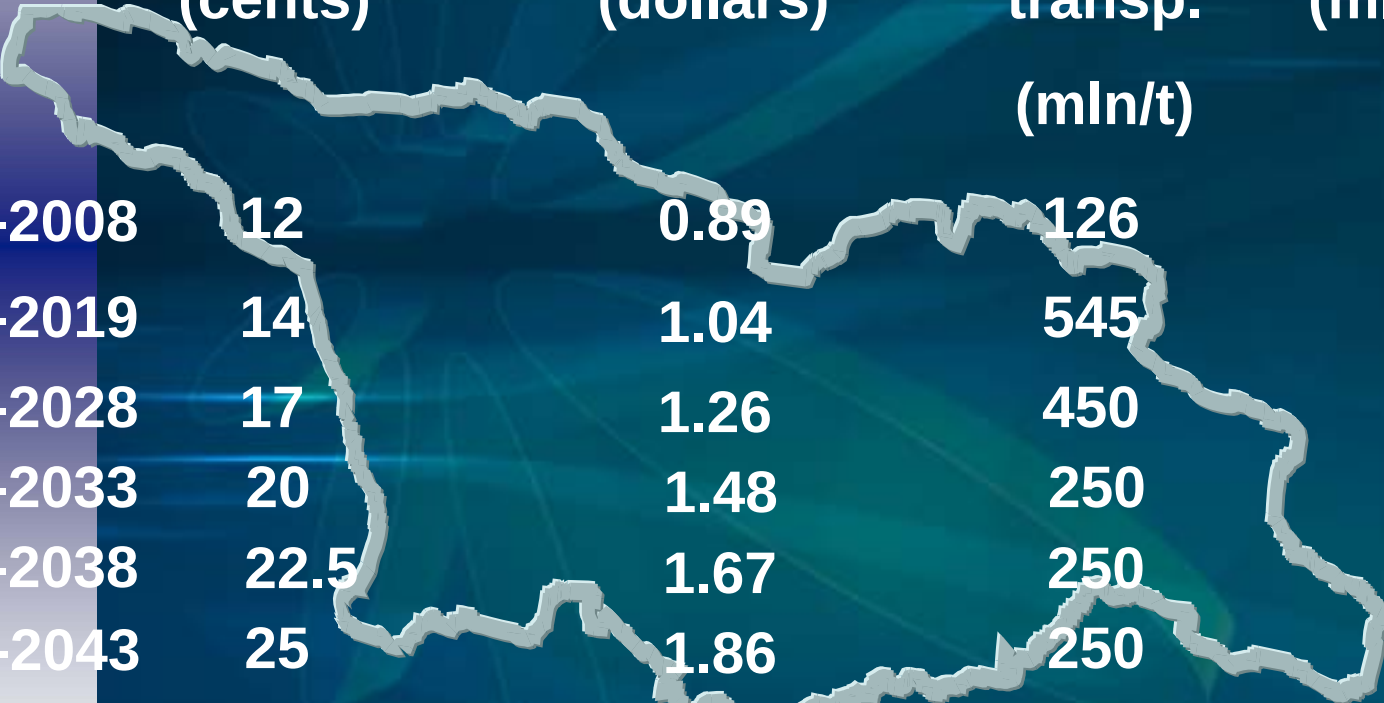
BTC Pipeline Project

- **Length:** 1760km (445km in Azerbaijan, 245km in Georgia and 1070km in Turkey)
- **Capacity:** One million barrels per day, or 50 million tons per year
- **Design life:** 40 years
- **Maximum altitude reached:** over 2800m
- **Speed of oil through pipeline:** 2m per second



BAKU-TBILISI-CEYHAN MAIN EXPORT PIPELINE PROJECT

BTC Transit Revenues to Georgia's Budget



A light gray map of Georgia is overlaid on the table, showing the country's borders and internal administrative divisions. The map is positioned behind the table, with the table text appearing in front of it.

Year	Tariff per barrel (cents)	Tariff per tone (dollars)	Oil transp. (mln/t)	Revenues (mln. USD)
● 2004-2008	12	0.89	126	112
● 2009-2019	14	1.04	545	566
● 2020-2028	17	1.26	450	568
● 2029-2033	20	1.48	250	371
● 2034-2038	22.5	1.67	250	417
● 2039-2043	25	1.86	250	464

During the 40 years Georgia will receive 2 billion 500 mln. USD (on average - 62 mln. 500 thousand USD per year)

Baku-Tbilisi-Erzurum Gas Pipeline Project

- **Length to the Georgian-Turkey border:** 690km
(442km in Azerbaijan, 248km in Georgia)
- **Capacity:** 30 bcm per year
- **Diameter of pipeline:** 1067 mm
- **Cost of project:** 900 million USD
- **End of construction:** 2006

BAKU-TBILISI-ERZURUM SOUTH CAUCASIAN GAS PIPELINE SYSTEM PROJECT

Trans-Caspian Gas Pipeline

- Baku-Supsa Early Oil Pipeline
- Baku-Tbilisi-Erzurum South Caucasus Gas Pipeline
- BTC Pipeline
- Trans-Caspian Gas pipeline



BAKU-TBILISI-ERZURUM SOUTH CAUCASIAN GAS PIPELINE SYSTEM PROJECT

Transportation of the Azerbaijanian Gas to Turkey and Europe

