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The European Union supports the Georgian energy regulator *Roundtable at the Energy and Water Supply Regulatory Commission (GNERC)*

On Thursday, 19 December 2013, representatives of the electricity distribution companies of Georgia “Telasi”, “Energo-Pro” participated in a round table at the premises of Georgian National Energy Regulator, GNERC.

The discussion was organised by the Twinning project *Strengthening Capacities of the Georgian National Energy and Water Supply Regulatory Commission (GNERC) in Updating Incentive Based Electricity Tariff Methodology*. The project is funded by the European Union with a budget of € 1.1 million. During a 21 month implementation period, the Georgian energy regulatory authority is being assisted in revising its tariff methodology and integrating quality of supply aspects by counterparts from its sister authorities E-Control (Austria), BNetzA (Germany) and PUC (Latvia), as well as the Austrian energy exchange EXAA.

During the event Mr. Leo Kammerdiener and Mr. Roland Görlich, from the Austrian regulator, E-Control, presented the key components of the proposed methodology. The issues of incentive based vs. cost plus regulation as well as WACC (Weighted Average Cost of Capital) approach and benchmarking were discussed. Mr. David Haldearn further elaborated on how to incorporate Quality of Service and Supply in regulation regime.

Chair of the Georgian Twinning partner GNERC, Ms. Irina Milorava and the Commissioner Mr. Gocha Shonia who is also the Project Leader in the Georgian regulatory authority, stated that the expressed opinions and presented evaluations will be considered in the process of updating the current tariff methodology.

With this activity the project approaches its conclusion and after the introduction of the new tariff methodology which is planned for 2014 by the Georgian authority, GNERC, Georgia makes one step ahead to bringing its energy regulation closer to the EU standards.

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The European Commission is the EU's executive body.

“The European Union is made up of 27 Member States who have decided to gradually link together their know-how, resources and destinies. Together, during a period of enlargement of 50 years, they have built a zone of stability, democracy and sustainable development whilst maintaining cultural diversity, tolerance and individual freedoms. The European Union is committed to sharing its achievements and its values with countries and peoples beyond its borders”.