

Sulori small HPP resumes operation

12/08/2008

<http://www.gbw.ge/news.aspx?sid=1b4aec8-d7ca-4b75-bd3c-244c143e1657>

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After a decade-long break, the recently rehabilitated Sulori small hydropower plant (HPP) began operation last week. The station, located in the village of Salkhino, in the Vani region of western Georgia, has an annual capacity of 4.5m kWh and will be connected to the general network.

A commercial operator will buy the electricity produced by Sulori HPP, Nodar Ughrelidze, the station's owner, said.

In a talk with GBW, Ughrelidze said that he applied to the USAID Energy Development in Villages program to have his HPP rehabilitated.

"We developed a business plan and applied to Kartu Bank for a USD 214,000 loan for investments. The loan maturity is five years," he said.

Kartu Bank attracted USD 209,000 out of the total asked amount from the Georgian Energy Efficiency Project (GEEP), a technical assistance project that provides consultancy to industrial and individual consumers on reducing energy consumption.

"Kartu Bank applied to us this June to consider Sulori HPP project," Murad Kharaishvili, a local project expert, said. "The business plan they submitted fully met the criteria required by our program: The investments were meant to make significant energy savings and the loan would be repaid in a reasonable period."

However, Ughrelidze said the terms of the loan are not quite favorable for the company and he will try to repay it ahead of schedule by selling some of the shares.

"A 17% interest rate for me is not acceptable, and I will try to fully cover the loan in about a year," he said.

The Sulori small HPP became operational in 1953 and functioned until 1987. The station was shut down because of the economic fall in the late 1980s and subsequent pillaging of the property. In 2007, the HPP became privatized. The rehabilitation of the station brought its capacity up to 800 kWh.

Georgia is self-sufficient in electricity, which is almost entirely generated by its hydroelectric facilities – five grand HPPs and 78 small ones. In 2007, the country consumed 8.146b kWh, while it produced 8.338b kWh. The same year, Georgia exported 625m kWh of electricity and imported 433m kWh.

