Setup Policy Paper

Khudoni Hydro Power Plant

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Торіс

In 28 April 211 Georgian government signed the agreement with "Trans Electrica Limited, Than's Electrica Georgia" LTD "Energotrans" and LTD "Electricity System Commercial Operator" (ESCO) about Khudoni Hydro Power Plant. This agreement allowed "Trans electrica Georgia" to build 702 MW Hydro Power plant in "Svaneti region" in Georgia.

Project

The Khudoni Hydro Power Plant Project is part of the Enguri River cascade system, which currently comprises hydropower plants of Engury and Vardnili (in total 1520 MW). The Khudoni Hydro Power Plant Project is on River Enguri and is about 35 Km upside of operational Engury HPP (1320 MW). The Project envisages the construction of an arch dam, with a height of 200.5 meters. Khudoni Hydro Power Plant dam would make a reservoir with a volume of 365 million cubic meters on the 528 Hectares. Khudoni HPP should have annual power capacity about 1.5 billior W/h

Purpose of the Project

Electricity in Georgia produced by hydropower plants or thermal power plants (it burns natural gas, which is not produced in Georgia and is imported from Azerbaijan). Demand on electricity has raised significantly lately, and Georgia can't provide enough amount of electricity, especially in winter, when river levels are low, the Georgian government has to import natural gas and produce electricity by thermal power plants which results higher prices of electricity. In 2011 Georgian Government found solution with Khudoni HPP project, which should be second biggest HPP in the Georgia, as well as in South Caucus Region and would produce additional power during the year. This Hydro Power Plant will ensure pergy security of Georgia and will promote a domestic and regional development of the state, but there are a lot of controversial issues is related to this project.

Position

I represent local Environmental non-governmental organization "Georgian Green Heritage." Our goal is to protect the environment, the biological and cultural heritage of Georgia, Khudoni HPP project will negatively impact on those issues. We want to establish environmental solutions and manage project implementation. Also, we want to offer Georgian government some other alternatives, which doesn't have the same adverse outcome. We want to focus on the following issues, and would also like to offer other alternatives to the government of Georgia, which can be a substitute for this project. We want to persuade the government to abandon the project considering a lot of reasons:

Environmental impact

First of all, Khudoni HPP construction will have an impact on the environment. Construction of the Hydro power plant and its water reservoir requires flooding 528 hectares, which contains unique villages and sub-alpine forests. This project will have an impact on the environment of the West Georgia, will cause the destruction of subalpine forest and wildlife habitats, also the loss of river species populations and dramatically change the climate. Beside this, specialists talks about a lot of dangers, which I will consider in the Policy Paper.

Social impact

The process of implementation of the Khudoni project started after the dissolution of Soviet Union, but at that time, the project was blocked by NGOs. The main explanations for that decision were that construction would contain extreme risks for ecological reasons, and also requires the resettlement of a number of unique villages (about 2000 people from 27 villages). In the case of project implementation, their houses would be under the water, as well as churches, cemeteries, and historical monuments.

Cultural heritage

The Khudoni HPP would be located in Zemo Svaneti, one of the most beautiful part of Georgia, which is isolating from the other parts of Georgia and the people has preserved the ancient traditions and culture. There are a lot of Historical museums and cultural monuments, more than 200 Georgian type houses from ancient era end represents the history of Georgia. The Zemo Svaneti region has been a UNESCO World Heritage Site area since 1996.¹

Alternatives

From the one side, the interest of the government to ensure energy security and increase production of electricity is understandable. But on the other hand, there are many alternative ways which should be taken into consideration, for example, Tobar HPP and Khudon HPP 2. These Power plants can produce same amount of electricity and don't have same negative consequences. Those and other alternatives I want to offer to the government of Georgia in my Policy Paper.

¹ <u>http://whc.unesco.org/en/list/709</u>

Audience of Paper

The audience of the paper is Government of Georgia; Especially I want to direct my Policy Paper to Ilia Eloshvili, Minister of Energy of Georgia.

I want to communicate with him and to the whole Minister of Energy of Georgia because they are one of the biggest actors in decision-making process of the Khudoni HPP project implementation. Former Minister of Energy of Georgia was signatory of the document, which allowed to build Khudoni HPP.

Ilia Eloshvili is Minister of Energy of Georgia since 2016, He used to be Deputy of Minister of Energy of Georgia (2012-2016) and was involved in this process, so he already has a lot of information about this project. But considering that he is the new minister and wants to make positive changes for the Energy of Georgia as well as for the state, I would like to present my Policy Paper and to acquaint in more details about the existing problems that are related to this project, as well as to offer supplementary alternatives.

