



JSC “Electricity System Commercial Operator”

**ACTIVITY REPORT
YEAR 2024**



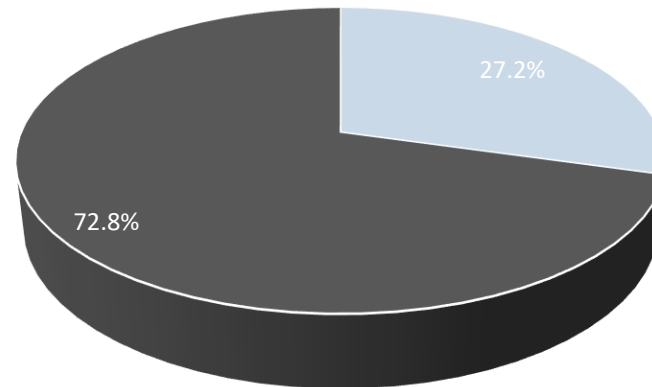
Main Fields of Operation

- **Balancing Electricity Trading;**
- **Guaranteed Capacity Trading;**
- **Electricity Import and Export;**
- **Support for the Construction of New Power Plants;**
- **Metering Control.**



Balancing Electricity Trading

- **Balancing electricity trading continues to be one of ESCO's principal areas of operation.**
- **In 2024, the share of balancing electricity in wholesale electricity trading amounted to 27.2%.**



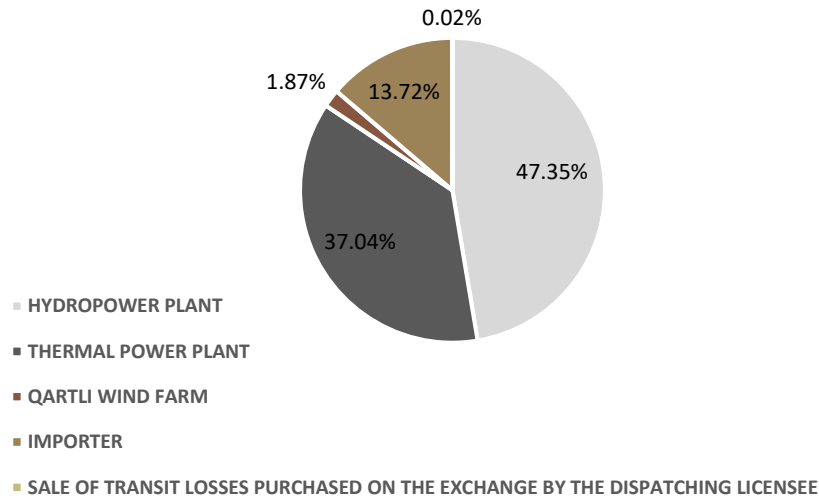
■ BALANCING ELECTRICITY ■ SOLD BY DIRECT CONTRACTS

Electricity Suppliers' Contribution to Balancing Electricity



The quantitative indicators of balancing electricity sellers and their percentage shares in 2024 are presented in the table below.

Electricity Seller	Year 2024	
	kWh	Share, %
Hydro Power Plant	1 960 564 791.9	47.35%
Thermal Power Plant	1 533 596 040.3	37.04%
Wind Power Plant	77 499 940.0	1.87%
Importer	568 270 989.9	13.72%
Sale of transit losses purchased on the exchange by the dispatching licensee	694 000.0	0.02%
Total	4 140 625 762.1	100%



Participation of Qualified Enterprises in the Procurement of Balancing Electricity



- In 2024, the main buyers of balancing electricity from ESCO were mainly public service electricity suppliers, the universal service supplier, and distribution energy companies, in relation to the procurement of losses in the distribution network. Also in 2024, electricity procurement for transmission losses was carried out by the dispatching licensee for the purpose of ensuring transit, whose share in balancing electricity purchases amounted to 0.49%.
- The proportional participation of balancing electricity buyers for this period is presented in the table.

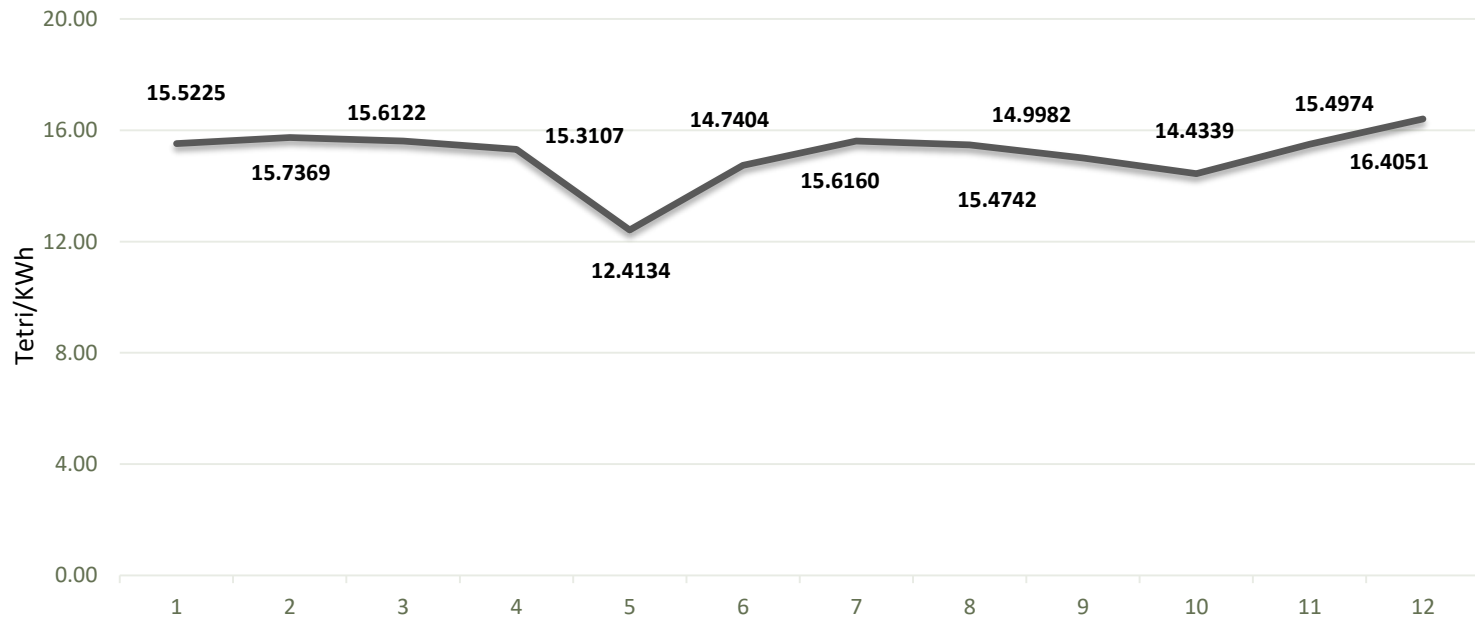
Electricity Buyer	Year 2024	
	kWh	Share, %
Universal service provider	717 642 641.30	17.332%
Electricity supplier operating in the form of a public service	2 034 119 135.02	49.126%
Ltd Free supplier	342 433.20	0.008%
Direct consumer	223 193 853.98	5.390%
Distribution energy company	806 716 040.10	19.483%
Exporter	13 075 956.60	0.316%
Delivered to Abkhazia	44 972 636.60	1.086%
GSE (Ensuring the coverage of losses in the transmission network)	280 271 839.60	6.769%
GSE (for the purpose of covering transit losses)	20 291 225.70	0.490%
Total	4 140 625 762.1	100%



Formation of the Price of Balancing Electricity for Sale

The price of balancing electricity for sale is determined based on the **Weighted Average Price** of balancing electricity purchased by ESCO.

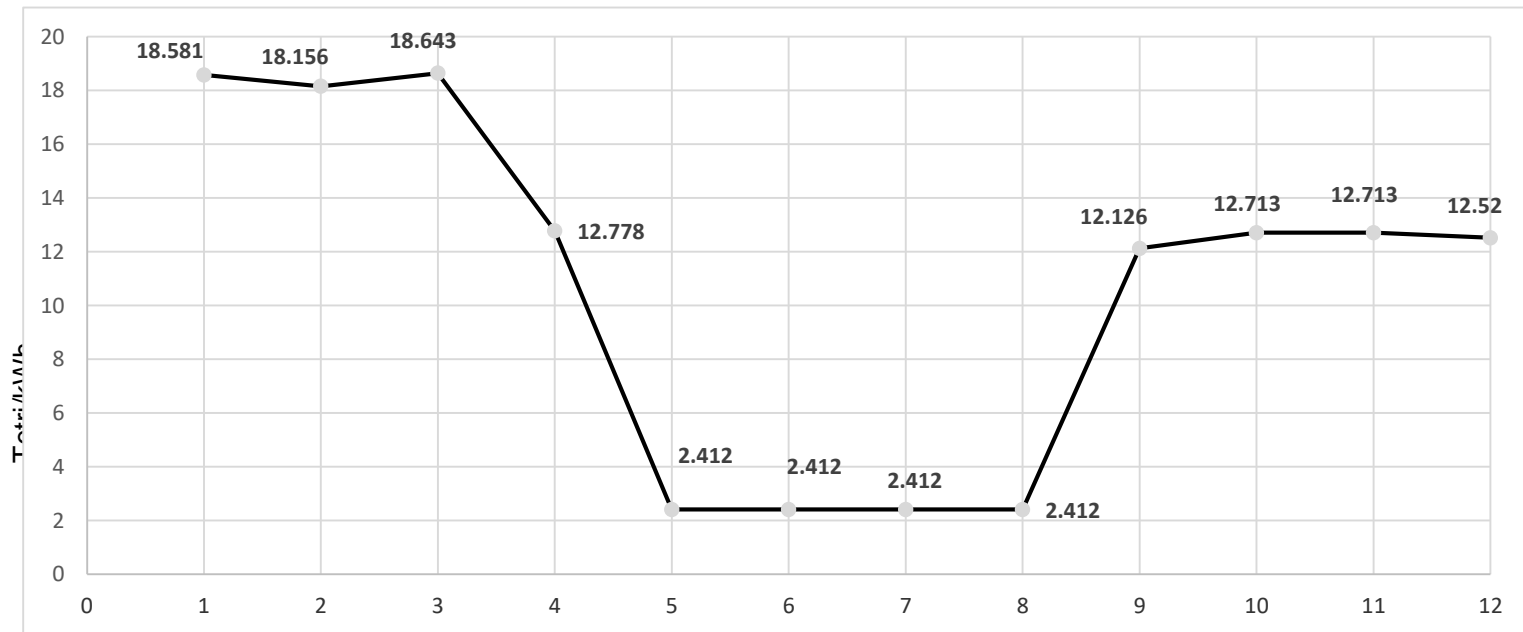
Year 2024



Balancing Electricity Price for Small Deregulated Power Plants, 2024



The price of balancing electricity purchased by ESCO from small deregulated power plants is formed in accordance with Article 36 of the Electricity (Capacity) Market Rules.

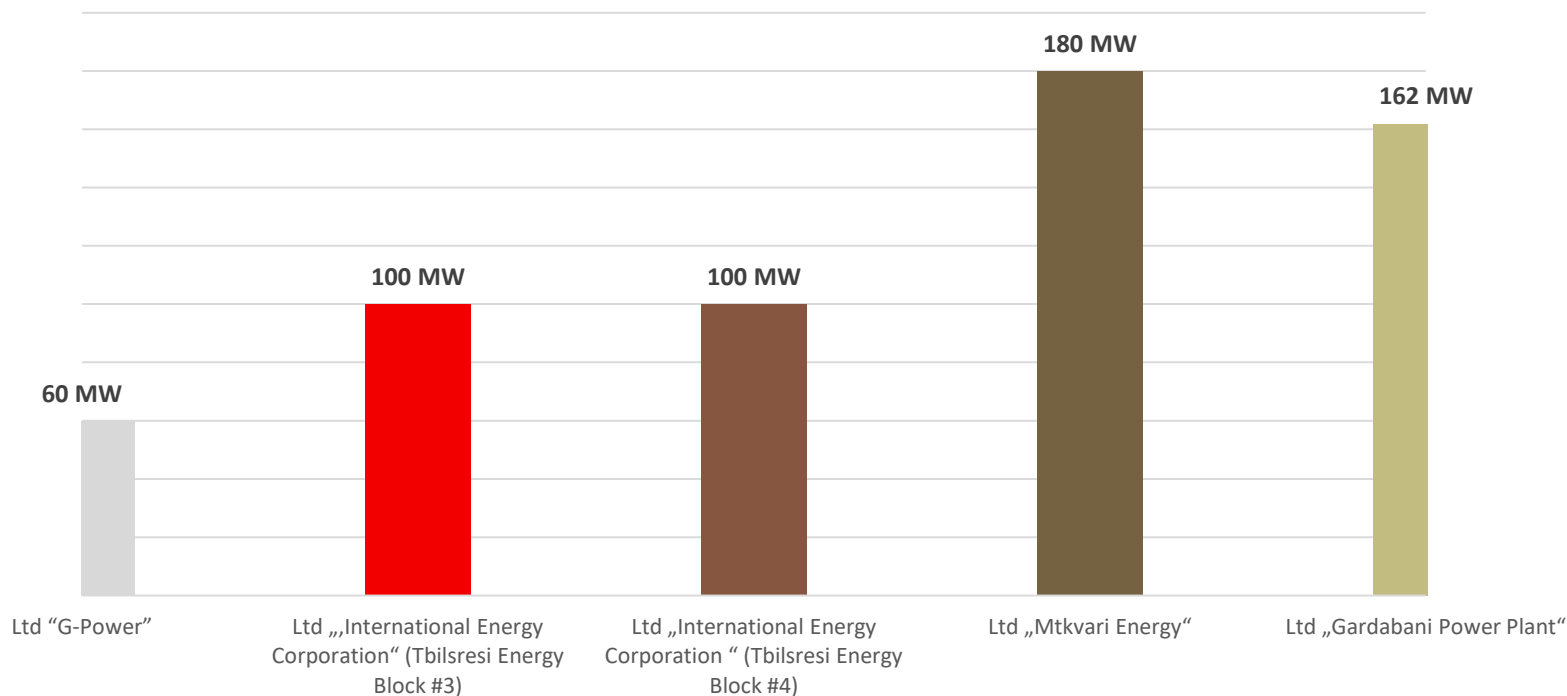




Guaranteed Capacity

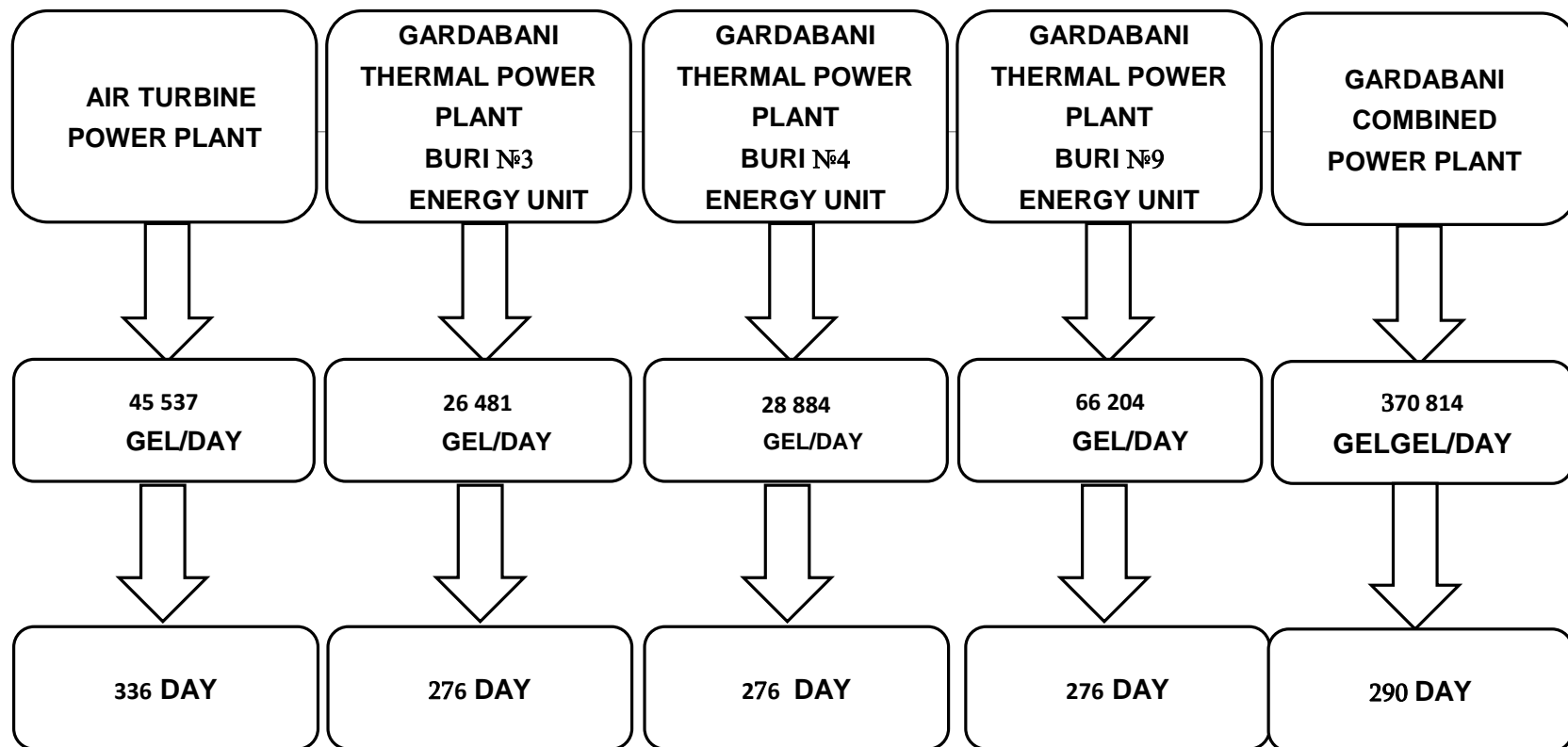
- ▶ Guaranteed capacity serves the stable, secure, and reliable operation of the country's unified electric power system.
- Trading of guaranteed capacity is carried out exclusively through ESCO under the standard terms of a direct contract.
- The purchasers of guaranteed capacity are: the distribution energy company, a direct consumer, a power plant during commissioning for trial operation and/or comprehensive testing, and an exporter.
- A qualified enterprise purchasing guaranteed capacity is obliged to pay the cost of guaranteed capacity in proportion to its actual share of total consumption and exports of all qualified enterprises that are purchasers of guaranteed capacity.

Sources of Guaranteed Capacity Defined by the Government of Georgia and the Minimum Guaranteed Capacity Volume, 2024



The sources of guaranteed capacity, as well as the minimum amount of guaranteed capacity for each guaranteed capacity source, are determined by the Government of Georgia.

Fees and Guaranteed Capacity Supply Periods Established by the National Energy and Water Supply Regulatory Commission for Guaranteed Capacity Sources



The Georgian National Energy and Water Supply Regulatory Commission determines, on a daily basis, the Guaranteed Capacity Fee and the capacity provision periods for each Guaranteed Capacity Source.

According to the resolution of the Regulatory Commission, the capacity provision periods (number of days) for Guaranteed Capacity Sources were established for the period from 1 January 2024 through 31 December 2024 (12 months), based on the calendar year.

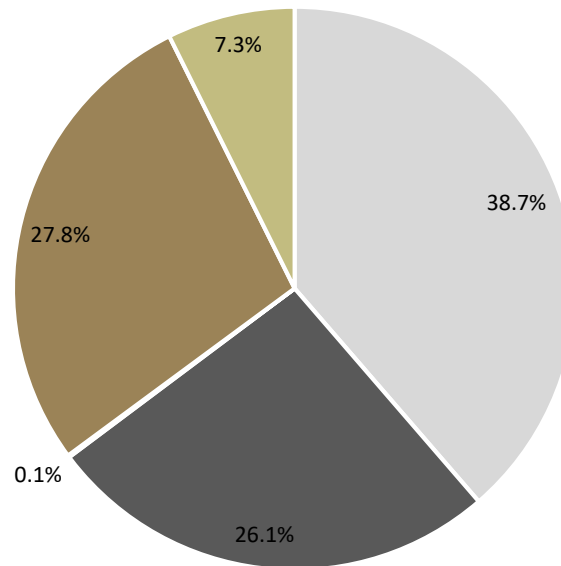


Revenue Received by Guaranteed Capacity Sources for Providing Guaranteed Capacity, 2024

#	QUALIFIED ENTREPRICE	YEAR 2024	
		Days of Availability (GEL)	Capacity Price (MIn GEL)
1	Ltd "G-Power"	336	15 300 432.00
2	Ltd „International Energy Corporation“ (Tbilsresi Energy Block #3)	276	7 308 756.00
3	Ltd „International Energy Corporation “ (Tbilsresi Energy Block #4)	276	7 971 984.00
4	Ltd „Mtkvari Energy“	276	18 272 304.00
5	Ltd „Gardabani Power Plant“	290	107 536 060.00



Percentage Share of Purchases by Qualified Enterprises Purchasing Guaranteed Capacity in Total Electricity Purchases, 2024

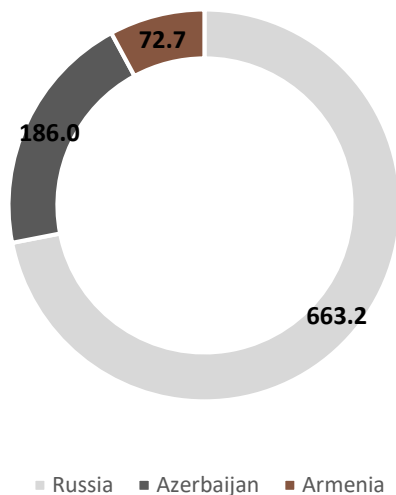


■ Universal Service Supplier ■ Public Service Electricity Supplier ■ Free Supplier ■ Direct Customer ■ Exporter



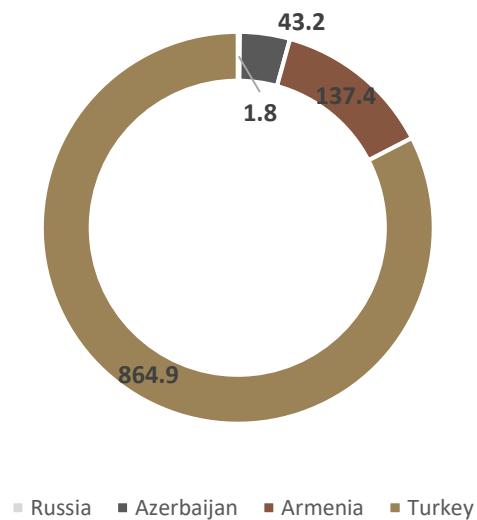
Accounted Imports and Exports, 2024

Chart №1



- In 2024, out of the actual imports carried out (921.841 million kWh) (Figure 1), 613.460 million kWh were imported by ESCO, accounting for 67% of total actual imports.

Chart №2



- In 2024, out of the actual exports carried out (1047.338 million kWh) (Figure 1), 132.088 million kWh were exported by ESCO, accounting for 13% of total actual exports.



Promotion of the Construction of New Power Plants

According to the memoranda signed between the Government and investors, in 2024 a total of 3 mandatory electricity purchase agreements were concluded between the market operator and investors:

Government – ESCO – LLC “Georgian Investment Group Energy”

Government – ESCO – LLC “Usasrulo Energia”

Government – ESCO – LLC “TABA”



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