

# Georgia and Abkhazia: Soviet-era Dam Binds and Divides

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March 6, 2017



A massive Soviet-built hydroelectric plant on the de facto border of Georgia and Abkhazia is now closed for structural repairs, cutting the breakaway territory's primary source of electricity, and forcing the two estranged partners to cooperate. The closure is also focusing fresh attention on the issue of efficiency, or the lack thereof, in the power sector.

The Enguri dam complex was closed on February 19 and was slated to remain closed for two weeks, Georgia's Ministry of Energy [announced](#). The closure was necessitated by significant water leakage from a 15-kilometer-long diversion tunnel that has impaired power output, said Levan Mebonia, the dam's general director, in an interview with EurasiaNet.

Enguri's structure poses unique political challenges. At 271 meters, it is the world's sixth-tallest dam. It has its reservoir in Georgia proper, but the concrete tunnel (bored 500 feet deep in a mountain ridge) channels water to a series of power stations that lie in Abkhazia, which broke away from Georgia in the early 1990s. Abkhazia has declared itself an independent state, but only Russia and a few other states recognize it as such.

How Abkhazia is supplied with electricity when Enguri is closed – and more importantly who pays for it – is subject to on-going negotiations, mainly between Georgian and Russian authorities with Abkhazian officials apparently in a secondary role. "Without help from Russia, it would be quite difficult to resolve these issues," Aslan Basaria, who heads Chernomorenergo, Abkhazia's de facto state energy company, [said](#) in a January 31 interview posted on the company's website.

Few details are known about the negotiations. "The exact amount and price of the electricity supplied to occupied Abkhazia will depend on actual consumption. The negotiations regarding other terms are still being held," Georgia's Energy Ministry [said](#) in a statement.

During the current closure, about 50 technical experts from some 15 foreign companies have been examining the tunnel's 9.5-meter-diameter core to assess damage. The bidding process to award repair contracts is expected to be carried out next winter. The tunnel pours water from a height of 400 feet into turbines at the first and main (Enguri) power station. Only one [at Vardnili] of the four other smaller power plants works. Enguri repairs are projected to cost about \$35 million.

Currently, with the dam closed, Abkhazia is receiving electricity from both Russia and the Georgian grid, although in what proportion is unclear. Basaria has suggested it is roughly half from each, a split roughly corroborated by Enguri dam operator Mebonia. Georgia has sometimes 'paid' for electricity imported from Russia by exporting an equivalent amount during the summer months when Enguri's reservoir is high and output is greatest, but this arrangement only occurs when it suits Russia.

Georgia accepts the responsibility for supplying electricity to Abkhazia – considering it a basic governmental service that it is obliged to provide to its entire territory – but has long used an informal understanding of limiting that obligation to 40 percent of Enguri's overall annual output.

"Abkhazia is an inseparable part of Georgia, and, therefore, we have an inevitable obligation to supply electricity to Abkhazia – as we do to all our citizens. But unfortunately, we have no control over how electricity is used there," says Davit Sharikadze, a senior Energy Ministry official. "Our attitude is: please use it wisely and carefully."

Increasingly though, Abkhazia's annual use exceeds the 40 percent guideline, especially in winter because many Abkhaz rely on electricity to generate heat. But the Enguri dam reservoir also tends to be at its lowest in winter, sometimes producing just 10-15 percent of its total capacity (between 100 and 150 megawatts).

This seasonal disjuncture leaves Georgian officials in the unenviable position of having to supply Abkhazia electricity purchased from privately-owned domestic power generators, or arranging to import power from Russia. Both are more expensive – particularly imports from Russia – than the cost of cheap power generated by Enguri, a fully paid off, state-owned plant.

In the late 1990s and early 2000s, Georgia privatized its electrical system, which resulted in painful price hikes. But privatization ultimately forced changes in consumption habits that enabled improved service and efficiency. The capital Tbilisi uses roughly the same amount of electricity today, when power is regularly available 24 hours a day, as it did back in the 1990s, when the city experienced persistent blackouts that forced business owners to often rely on their own power generators at night, said David Managadze, an EBRD banker active in the energy sector.

"Everything, everywhere was left on – TVs, washing machines, heating, everything – whether you needed it or not," Managadze said, explaining the problems of the 1990s.

Abkhazia has not gone through the privatization process: there still is no metering for electricity usage, and thus most Abkhaz make token payments to the local power company, which does not share revenue with Georgia. As a result, energy usage is far less efficient: Abkhazia's roughly 250,000 inhabitants use almost as much electricity as the far glitzier Georgian capital of Tbilisi, with six times the population.

David Lee, a Tbilisi-based British businessman, recalled lights ablaze day and night at an Abkhazian hotel where his Leadership School Foundation youth group stayed. This provided an unexpected perk: an outdoor pool was kept warm even in February. Asked how they could afford it, he was told the 200-room hotel had a monthly electric bill of \$70.

Swelling losses in transmission and distribution due to paltry investment in the local grid compound the challenge of meeting growing demand, driven by usage of ever more plug-in devices. "It should be noted that electricity prices like we have don't exist anywhere else, and we should understand that until we get more or less normal tariffs, we cannot talk about improving service," acknowledged Basaria.

Rationalizing the Abkhazia electricity system would take hundreds of millions of dollars, and it is not clear where the money to make changes would come from. At the same time, Georgia's commitment to keeping the lights on in Abkhazia seems to be waning, in part due to the realization that it has little leverage to encourage more rational power usage there. Another irksome note: a Russian military base is among the beneficiaries of Abkhazia's virtually free electricity.

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