

ENERGY STRATEGY OF ARMENIA

The Government of Armenia has made a commitment to its citizens and to the EC that the ANPP will eventually close. This will necessitate the provision of adequate replacement power. Until the time the facility is shut down, the Government will support an extensive program of safety improvements at the facility. However, substantial costs as well as the absence of alternative supply sources make any near-term shutdown date unrealistic. Indeed, the current least cost power supply plan makes clear that closing the ANPP will lead to significant increases in the bills of Armenian customers and further reliance on gas imports.

ENERGY STRATEGY OF ARMENIA

The Strategy is aimed at the resolution of the following primary problems:

- Providing reliable energy supply at low rates to satisfy the fundamental needs of all customers, while enhancing energy conservation, input of energy efficient technologies in all branches of economy;
- Avoiding methods of importing of primary sources that might expose the security and economy of Armenia to events political impacts beyond the control of the Republic of Armenia;
- Ensuring the safe operation of the ANPP to time as its energy can be replaced and decommissioning can proceed without unacceptable economic and energy security impacts;
- Ensuring sustainable energy supply, based on the principles of sustainable development and in compliance with the international environmental commitments of the Republic of Armenia;
- Creation of an electric energy system that is export oriented and generates high added value.

ENERGY STRATEGY OF ARMENIA

Short-term period: 2005-2010

- Construction of the Iran-Armenia gas pipeline (1st stage commenced and will be accomplished at 2006, 2nd stage – at 2008);
- Rehabilitation and modernization of the underground gas storage;
- Rehabilitation of gas supply network and gasification of the all country, including connection of a total of 500 000 customers (380,000 customers already connected);
- Further safety enhancements at the ANPP (commenced and will be continued up to decommissioning);
- Preparation of ANPP Decommissioning Plan, including Cost Evaluation and development of normative documentation (2007);
- Feasibility study for a new NPP unit as a possible alternative to cover a long-term demand grow;
- Construction of the 3rd Iran-Armenia electric transmission line up to 2008;
- Reinforcement of Armenia-Georgia electric transmission connection up to 2007;

ENERGY STRATEGY OF ARMENIA

Short-term Period: 2005-2010

- Construction of the first 208 MW CC unit at Yerevan TPP as an option aimed to nature replacement of spent generation capacities (additional two units are required for replace ANPP capacity);
- Construction of a 440 MW gas turbine Unit 5 at Hrazdan TPP as an option aimed to nature replacement of spent generation capacities;
- Commencement of heat supply rehabilitation;
- Construction of 140 MW Meghri HPP as an option for development an domestic energy resources (commenced, technical assessment completed);
- Construction of small HPPs with a total capacity of 70 MW and Wind Power Plants with a total capacity of 100 MW, as an option for development an domestic renewable energy resources;
- Completion of the investigation of geothermal energy potential;

ENERGY STRATEGY OF ARMENIA

Medium-term Period: 2011-2016

- Construction of the 60 MW Loriberd HPP;
- Completion of the heat supply rehabilitation;
- Construction 65 MW of small HPPs;
- Construction of 200 MW of Wind Power Plants;
- Construction of the second 208 MW combined cycle units at Yerevan TPP;
- Expansion of gas storage of 75 million cubic meters;
- Beginning a first stage for decommissioning of ANPP;
- Construction of the 6th 400 MW combined cycle unit at Hrazdan TPP;
- Continuous modernization and development of the electric transmission network;
- Modernization and development of the electric distribution system.

ENERGY STRATEGY OF ARMENIA

Long-term Period: 2017-2025

- Construction of the 75 MW Shnogh HPP;
- Completion of phase 1 of existing ANPP decommissioning;
- Commissioning of the new up to 1000 MW ANPP unit 1 (in compliance with demand grow and result of feasibility study);
- Construction of small HPPs with 130 MW installed capacity;
- Construction of Wind Power Plants with a total capacity of 200 MW;
- Completion of 75 million cubic meters gas storage expansion;
- Continuous modernization and development of the electric transmission network (construction of inter-system transmission lines);
- Modernization and development of the electric distribution system;
- Construction of new CC units (the number of units will depend upon the electricity demand).