

## Turkey Amends Rules for Electricity Consumer Tariffs

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Turkey has amended legislative arrangements for electricity consumer tariffs. Changes apply to pricing methods for consumers to use electricity distribution systems, expanded definitions for technical and non-technical electricity leakage and losses (now including losses caused by illegal uses), as well as revised rules for determining last resort procurement prices.

The Regulation on Amendments to the Electricity Market Tariffs Regulation ("**Amendment Regulation**") was published in Official Gazette number 29917 on 13 December 2016. The Amendment Regulation makes changes to the Electricity Market Tariffs Regulation.

Notable changes introduced by the Amendment Regulation include:

- The distribution price paid by consumers is now limited to the expenses arising from connection lines built to connect a consumer's interior wiring to the distribution network. Formerly, the distribution price was determined based on all expenses arising from connecting consumers to the distribution network.
- The definition of the technical electricity loss has been amended to now also include losses caused by illegal uses. The updated definition states that technical loss is the difference between the energy entering the distribution system and the amount of energy accrued by the consumers in the distribution system arising out of a technical loss and/or illegal use, which affects the cost of the distribution company and not caused by a technical cause. Previously, technical losses only included losses accrued during the transfer of energy via distribution networks.
- The prices for use of electricity distribution system which will be reflected consumers must now be determined in a manner which does not exceed the target ratio determined by the Energy Market Regulatory Board.
- Last resort procurement prices paid by high or low consumption consumers will now be determined based on:
  - Investment costs and/or operational expenses required for operation (such as invoicing and customer services costs, retail sale service costs).
  - Any and all costs for services and expenses within the scope of last resort operations (such as energy supply costs).

Please see this [link](#) for the full text of the Amendment Regulation (only available in Turkish).

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### Related Attorneys

- [BENAN ARSEVEN](#)
- [BURCU TUZCU ERŞAN, LL.M.](#)
- [C. HAZAL BAYDAR, LL.M.](#)