

Turkey Announces Process for Delivering Natural Gas to Populations over 20,000, Located Outside Scope of Current Distribution Licenses

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- Turkey's Energy Markets Regulatory Authority ("Authority") has determined procedures and principles for investments necessary to deliver natural gas to areas with populations over 20,000 which do not fall within licenses holders' current geographic license scopes. BOTA?, the state-owned transmission pipeline company, has been tasked with leading the process and will make the necessary investments either on its own, or jointly with local distribution companies.

The Authority's Decree number 6867-6 ("**Decree**"), dated 19 January 2017, was published in Official Gazette number 29955 on 21 January 2017, entering into effect on the same date. The Decree relates to Council of Ministers' Resolution number 2016/9382 dated 17 October 2016.

Key aspects of the process include:

- To determine the qualifying districts, BOTA? will request a list of districts with populations over 20,000 from the General Directorate of Civil Registration and Citizenship Affairs.
- BOTA? will then apply to the Authority to determine whether these districts fall within natural gas distribution areas.
- BOTA? will submit its technical and economic evaluations to the Ministry of Energy and Natural Resources for approval.
- On receiving approval, BOTA? will notify the Authority about which districts qualify.
- The Authority will determine who will carry out natural gas distribution in the qualifying districts, as per the Law on Natural Gas Market numbered 4646 and other relevant legislation.
- To expedite the necessary investments, BOTA? will:
 - Jointly invest with the local distribution company in districts with less than 30 km distance between the city's main circuit connection and the transmission lines.
 - Fully cover investment for districts with 30 km or more between the city's main circuit connection and the transmission lines.
- If a distribution company asks and the Authority approves, the necessary investment can be made solely by the distribution company, or natural gas can be provided directly from the distribution network.
- BOTA? and distribution companies are free to determine the terms for joint investments, within the Decree's framework.
- Licenses holders which will carry out the investment must present information to the Authority at least three months commencing the project. Information should include:
 - Investment commencement date.
 - Investment completion date.
 - Preparations for natural gas supply.
 - Date of first natural gas supply.

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

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- BENAN ARSEVEN
 - BURCU TUZCU ERS?N, LL.M.
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Moroglu Arseven | www.morogluarseven.com