

Turkey Introduces Procedures and Principles Regarding Determination of Power Plant Areas of Production Facilities Subjected to Pre-License and Licenses in the Electricity Market

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Procedures and Principles Regarding Determination of Power Plant Areas of Production Facilities Subjected to Pre-License and Licenses in the Electricity Market ("**Principles**") set forth by the Energy Market Regulatory Authority ("**EMRA**") has entered into force as of 18 June 2020.

The Principles are concerning existing production facilities as well as the determination of facility and project sites within the scope of pre-license or production license and the auxiliary source unit areas that can be established in these sites.

The Principles aim to create new investment and employment opportunities with renewable energy facilities to be built in the sites where the power plants are located. Moreover, it will be possible to use renewable energy sources such as solar or wind energy together in power plant sites based on conventional energy sources such as coal and natural gas.

The regulations introduced by the Principles can be summarized as follows:

- Additional elements required in the power plant sites are described for each production facility using different types of energy:
- Reference is made to the relevant regulations for power plant sites in wind and solar energy production facilities.
- Elements have been specified for power plant sites in production facilities based on hydraulic energy, geothermal energy, biomass energy, energy obtained from coal and energy obtained from natural gas, and these elements are explained in detail under the annexes of the Principles.
- Before applying for the conversion of production facilities to multiple source electricity production facilities, the existing facility should also be meet the requirements specified in these Principles.
- Information and documents to be submitted in pre-license and license applications are listed in EMRA decision number 9393. In addition to information and documents to be submitted in pre-license and license applications, the decision also clarified merger, division, facility/project transfer approval applications.
- EMRA Decision number 9394 specifies the terms of the pre-license and facility completion. Terms of the pre-license varies up to 36 months for reservoir hydroelectric power plants and thermal production plants with domestic or imported coal fuel, and 24-36 months for other plants depending on the installed power range. Facility completion terms are determined specifically for each type of facility, but are between 18-72 months for facilities, excluding power plants based on nuclear power. The construction period to be given for nuclear facilities will be determined by EMRA within the framework of international agreements, if there is a production license. In the absence of the license it will be determined by granting the Ministry of Energy and Natural Resources' opinion.
- EMRA decision number 9395 determines the annual maximum production amount to be taken as basis in determining the annual electricity generation amount to be added to the pre- license and license of the plants producing electricity from renewable energy sources.
- EMRA decision number 9397 explains the calculation formulas of the capital to be provided at the pre-license and production license applications and collateral amount to be provided to the Authority in the electricity market.

The full text of the Principles published in the Official Gazette dated and 18 June 2020 numbered 31166 is available at this [link](#) (only available in Turkish).

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