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Turkey Updates Licensing Rules for Renewable Energy Resource Areas

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Turkey's energy regulator has updated the electricity market license regulatory regime. The changes relate to integration of general principles for production licenses and pre-licenses for Renewable Energy Resource Areas (" **RERA**") within the existing licencing regime (more).

The Energy Market Regulatory Authority ("**Authority"**) published the Amendment Regulation on Electricity Market License Regulation ("**Amendment Regulation"**), in Official Gazette numbered 29989 on 24 February 2017, entering into effect on the same date.

Key arrangements under the Amendment Regulation include:

- The Authority will determine RERA pre-license terms on a case-by-case basis, up to maximum 36 months and in accordance with the term stipulated in the pre-license's tender specifications.
- RERA pre-license applications must be made in accordance with the terms specified under the Regulation of RERA as published in Official Gazette number 29852 on 9 October 2016 ("RERA Regulation").
- RERA generation licenses will be granted for 30 years.
- The procedures and principles for pre-license applications to build production facility based upon wind and solar energy will not apply for RERA pre-license applications. Rather, these are determined by Amendment Regulation.
- Applicants must apply to the Authority for a RERA pre-license within 45 days of signing a RERA Usufruct Agreement with the Ministry of Energy and Natural Resources.
- The Authority will make a procedural assessment of the application documents within 20 working days.
- If the Authority determines the application is not in accordance with the legislation, 15 working days will be granted to remedy any deficiencies.
- The Authority will complete its evaluation within three months of receiving full documentation, in line with the application requirements.
- To obtain a pre-license for RERA generation facilities, applicants must now obtain the letter of conformity from the General Directorate of Renewable Energy. The letter confirms that the proposed facilities confirming the requirements under RERA Regulation have been met.
- If a RERA pre-license term is not extended, it will be terminated:
 - o At the pre-license holder's request
 - If the pre-license holder goes bankrupt
 - When a production license is obtained.
- If a RERA pre-license holder does not apply for a production license in due time, the General Directorate of Renewable Energy will be notified.
- RERA generation licenses cannot be renewed.

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

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