

## DRAFT REGULATION AMENDING THE ELECTRICITY MARKET LICENSE REGULATION

### EXISTING TEXT

#### Associate application procedure

#### ARTICLE 12 -

(7) (Amended:RG-24/2/2017-29989) Except for the applications to be made for YEKA (Additional phrase:RG-19/11/2022-32018) ~~and the applications to be made within the scope of the electricity generation facility with storage, the pre-license applications to be made in order to establish a generation facility based on wind and solar energy are received in accordance with the following procedure:~~

~~a) Within the framework of Article 23 of the Law, TEİAŞ notifies the Authority of the capacity of wind or solar energy based generation facilities that can be connected to the system, by connection point and/or on a regional basis, by October 1 for wind energy based applications and by May 1 for solar energy based applications, for the following five years and for the following ten years.~~

~~b) Pre-license applications are received by the Authority within the framework of the announced capacity on the first five working days of April each year for applications based on wind energy and on the first five working days of November each year for applications based on solar energy.~~

~~c) (Amended: RG-9/7/2019-30826) Within the scope of this Regulation, it is mandatory to have wind or solar measurements obtained within the last eight years and in accordance with the standard.~~

~~ç) (Annex: RG-8/3/2020-31062)<sup>(+)</sup> Within the scope of the pre-license application made for the combined electricity generation facility and the combined renewable electricity generation facility, all provisions~~

### DRAFT TEXT

#### Associate application procedure

#### ARTICLE 12 -

(7) (Amended:OG-24/2/2017-29989) Except for the applications to be made for YEKA (Additional phrase:OG-19/11/2022-32018), within the framework of Article 23 of the Law, TEİAŞ reports to the Authority and publishes on its website the regional generation facility capacities that can be connected to its systems, by connection point and/or on a regional basis, for the following five years and for the following ten years, until April 1 of each year. In the said report, the capacity allocated for generation facilities based on wind or solar energy is also determined. In this context, from the total connectable capacity reported to the Authority by TEİAŞ;

a) Allocation of connectable capacity based on wind or solar energy to pre-license applications to be made in order to establish wind or solar energy based generation facilities, electrical capacity increase requests made by generation license holders whose main source is wind or solar energy, applications made to establish multi-source electricity generation facilities excluding projects or facilities whose main source is wind or solar energy and projects or facilities whose auxiliary source is not wind or solar energy, and generation facility applications to be connected to the system at transmission level within the scope of subparagraph (h) of the first paragraph of Article 5 of the Unlicensed Electricity Generation Regulation in the Electricity Market,

b) The capacity to be allocated for pre-license applications within the scope of electricity generation facility with storage and generation license amendment applications within the scope of electricity generation facility with storage of the connectable capacity other than subparagraph (a) shall be determined by the Board decision. The date of receipt of

<p><del>of this Article shall apply except for subparagraph (e) of this paragraph for the auxiliary source.</del></p>	<p>applications under this paragraph shall be determined by a Board decision.</p>
<p><b>Right of priority in case of multiple applications for the same place</b></p> <p><b>ARTICLE 14 -</b></p> <p>(4) (Additional paragraph: RG-23/12/2015-29571) (Amended phrase: RG-10/3/2022-31774) <u>After obtaining a generation license for wind energy based generation facilities,</u> applications for unlicensed generation facilities to be established by the owner on his/her <del>own land</del> in the area subject to the generation license may be accepted by <u>the General Directorate of Energy Affairs</u> provided that the technical evaluation is found appropriate by the <u>General Directorate of Energy Affairs</u> (Amended phrase: RG-16/8/2018-30511) and provided that it does not affect the generation license and other licensed generation facilities. Otherwise, it will be rejected at every stage.</p>	<p><b>Right of priority in case of multiple applications for the same place</b></p> <p><b>ARTICLE 14 -</b></p> <p>(4) (Additional paragraph: RG-23/12/2015-29571) (Amended phrase: RG-10/3/2022-31774) <u>After obtaining a generation license for wind energy based generation facilities,</u> applications for unlicensed generation facilities to be established on <u>the</u> land subject to the generation license by the owner <u>or the owner of the right of use may be</u> accepted by <u>the General Directorate of Energy Affairs</u> provided that the technical evaluation is found appropriate by the <u>General Directorate of Energy Affairs</u> (Amended phrase: RG-16/8/2018-30511) and provided that it does not affect the generation license and other licensed generation facilities. Otherwise, it will be rejected at every stage.</p>

<p><b>Works and procedures to be completed within the pre-license period</b></p> <p><b>ARTICLE 17 - (Amended: OG-22/10/2016-29865)</b></p> <p>(1) The pre-license holder legal entity is obliged to complete the following works and transactions within the pre-license period in order to start the investment of the generation facility subject to the pre-license:</p> <p>a) <b>(Amended: RG-23/8/2019-30867)</b> If the site where the generation facility will be established is not owned by the legal entity holding the pre-license, obtaining the ownership or right of use of the said site, <del>obtaining expropriation decisions regarding water retention areas in hydroelectric power plants, obtaining expropriation decisions and/or forestry preliminary permits for the ash sites of thermal power plant projects based on domestic mines and imported coal, carrying out allocation procedures regarding the site where the generation facility will be established in nuclear power plants.</del></p>	<p><b>Works and procedures to be completed within the pre-license period</b></p> <p><b>ARTICLE 17 - (Amended: OG-22/10/2016-29865)</b></p> <p>(1) The pre-license holder legal entity is obliged to complete the following works and transactions within the pre-license period in order to start the investment of the generation facility subject to the pre-license:</p> <p>a) <b>(Amended: RG-23/8/2019-30867)</b> If the site where the generation facility will be established is not owned by the legal entity holding the pre-license, obtaining the ownership or usage right of the said site.</p>
<p><b>Review, evaluation and finalization of license amendment applications</b></p> <p><b>ARTICLE 24 -</b></p> <p>(4) <b>(Amended: OG-23/8/2019-30867)</b> In case an application for license amendment is made by changing the mechanical capacity or electrical installed capacity of the generation facility subject to the license, the provision of the second paragraph of Article 15 shall apply to the connection of the generation facility to the transmission and/or distribution system and system usage. If the said application is approved by the Board or the relevant main service unit, from the date of notification of the approval decision to the relevant legal entity;</p>	<p><b>Review, evaluation and finalization of license amendment applications</b></p> <p><b>ARTICLE 24 -</b></p> <p>(4) <b>(Amended:RG-23/8/2019-30867)</b> In case an application for license amendment is made by changing the mechanical capacity or electrical installed capacity of the generation facility subject to the license, the provision of the second paragraph of Article 15 shall apply to the connection of the generation facility to the transmission and/or distribution system and system usage. If the said application is approved by the Board or the relevant main service unit, from the date of notification of the approval decision to the relevant legal entity;</p>
<p>a) Information or documents indicating that the minimum capital of the company has been harmonized with the capital amount stipulated by the Authority according to the new installed capacity,</p>	<p>a) Information or documents indicating that the minimum capital of the company has been harmonized with the capital amount stipulated by the Authority according to the new installed capacity,</p>

<p>b) The revised relevant resource utilization right agreement or information or documents indicating that there is no need to revise the said agreement,</p> <p>c) Information or documents indicating that the collateral amount is harmonized with the amount stipulated in the relevant Board decision according to the new installed capacity,</p> <p>ç) The decision required <del>to be taken</del> under the Regulation on Environmental Impact Assessment</p> <p>shall be submitted to the Authority within ninety days or within the period specified in the relevant decision or main service unit transaction. Provided that the other obligations under this paragraph are fulfilled within the specified period, the Environmental Impact Assessment Positive Decision taken for projects subject to Environmental Impact Assessment under the Environmental Impact Assessment Regulation may be submitted to the Authority within one year, except for force majeure. Provided that the obligations assigned under this paragraph are fulfilled in due time, the license amendment shall be carried out by the relevant main service unit. In case the said obligations are not fulfilled within the time limit, the amendment application shall be deemed rejected.</p>	<p>b) The revised relevant resource utilization right agreement or information or documents indicating that there is no need to revise the said agreement,</p> <p>c) Information or documents indicating that the collateral amount is harmonized with the amount stipulated in the relevant Board decision according to the new installed capacity,</p> <p>ç) <b>Applying to the relevant institution within forty-five days in order to take</b> the necessary decision within the scope of the Regulation on Environmental Impact Assessment <b>and the</b> decision in question</p> <p>shall be submitted to the Authority within ninety days or within the period specified in the relevant decision or main service unit transaction. Provided that the other obligations under this paragraph are fulfilled within the specified period, the Environmental Impact Assessment Positive Decision taken for projects subject to Environmental Impact Assessment under the Environmental Impact Assessment Regulation may be submitted to the Authority within one year, except for force majeure. Provided that the obligations assigned under this paragraph are fulfilled within the time limit, the license amendment shall be carried out by the relevant main service unit. In case the said obligations are not fulfilled within the time limit, the amendment application shall be deemed rejected.</p>
<p>(18) <b>(Annex: RG-9/5/2021-31479)</b> Amendment application made within the scope of adding an electricity storage unit to the facility subject to the generation license;</p> <p>a) Not to go beyond the area compiled in the license,</p> <p>b) No change in the electrical and/or mechanical installed capacity included in the license,</p>	<p>(18) <b>(Annex: RG-9/5/2021-31479)</b> Amendment application made within the scope of adding an electricity storage unit to the facility subject to the generation license;</p> <p>a) Not to go beyond the area compiled in the license,</p> <p>b) No change in the electrical and/or mechanical installed capacity included in the license,</p> <p>c) The existing connection type, connection point and voltage level</p>

<p>c) The existing connection type, connection point and voltage level compiled in the license remain unchanged,</p> <p>ç) The opinion received from the relevant grid operator pursuant to the second paragraph of Article 15 on the system connection and system utilization of the electricity storage unit in question is positive,</p> <p>d) <b>(Annex: RG-10/3/2022-31774)</b> Obtaining an opinion from TEİAŞ on the compliance of the electricity storage unit with the required technical criteria,</p> <p>provided that the decision is submitted to the Authority. Within the period specified in the Board decision as of the date of notification of the Board decision, the license is amended, provided that the decision required <del>under the Environmental Impact Assessment Regulation</del> is submitted to the Authority. Capital adequacy and collateral obligation are not required for the unit within this scope.</p>	<p>compiled in the license remain unchanged,</p> <p>ç) The opinion received from the relevant grid operator pursuant to the second paragraph of Article 15 on the system connection and system utilization of the electricity storage unit in question is positive,</p> <p>d) <b>(Annex: RG-10/3/2022-31774)</b> Obtaining an opinion from TEİAŞ on the compliance of the electricity storage unit with the required technical criteria,</p> <p>provided that it can be found appropriate. The license shall be amended provided that <a href="#">an application is made to the relevant institution within forty-five days</a> from the date of notification of the Board's decision of finding it appropriate in <a href="#">order to take the necessary decision within the scope of the Environmental Impact Assessment Regulation</a> and that the <a href="#">said</a> decision is submitted to the Authority within the period specified in the Board's decision. Capital adequacy and collateral obligation are not required for the unit within this scope.</p>
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<p>(19) <b>(Annex: RG-9/5/2021-31479)</b> Legal entities holding a supply license shall apply to the Authority for a license amendment to add the said facility to their license if they wish to establish an independent electricity storage facility. If a request is made within this scope, the provision of the second paragraph of Article 15 shall apply to the connection of the electricity storage facility to the system and system usage. If the request is approved by the Board, the license shall be amended <del>within the period specified in the Board</del> decision as of the date of notification of the Board decision, provided that the <del>decision required</del> under the Environmental Impact Assessment Regulation is submitted to the Authority. Within the scope of the provisions of the third paragraph, the provisions applied for license amendment requests regarding the time extension of generation facilities shall also be applied for stand-alone electricity storage facilities. Capital adequacy and collateral obligation shall not be sought for the facility within this scope. <b>(Additional sentence: OG-19/11/2022-32018)</b> A separate license amendment application shall be made for each stand-alone electricity storage facility to be added to the supply licenses.</p>	<p>(19) <b>(Annex: RG-9/5/2021-31479)</b> Legal entities holding a supply license shall apply to the Authority for a license amendment to add the said facility to their license if they wish to establish an independent electricity storage facility. If a request is made within this scope, the provision of the second paragraph of Article 15 shall apply to the connection of the electricity storage facility to the system and system usage. If the request is approved by the Board, the license amendment is made provided that <b>the relevant institution is applied to the relevant institution within forty-five days for the purpose of taking the necessary decision</b> within the scope of the Environmental Impact Assessment Regulation from the date of notification of the Board decision of approval, <b>and the said decision is</b> submitted to the Authority <b>within the period specified in the Board decision</b>. Within the scope of the provision of the third paragraph; the provisions applied for license amendment requests regarding the time extension of generation facilities shall also be applied for stand-alone electricity storage facilities. Capital adequacy and collateral obligation shall not be sought for the facility within this scope. <b>(Additional sentence: OG-19/11/2022-32018)</b> A separate license amendment application shall be made for each stand-alone electricity storage facility to be added to the supply licenses.</p>
<p><b>Evaluation and finalization of license renewal applications</b> <b>ARTICLE 25 -</b></p> <p>(2) License renewal request may be made by the licensee applying to the Authority in writing 12 months at the earliest and nine months at the latest <del>before</del> the expiry of the current license term, 15 months at the earliest and 12 months at the latest for distribution companies and incumbent supply companies. A document showing that the license renewal fee has been deposited to the Authority's account must be submitted with the application.</p>	<p><b>Evaluation and finalization of license renewal applications</b> <b>ARTICLE 25 -</b></p> <p>(2) License renewal request may be made by the licensee applying to the Authority in writing, at the earliest 12 months, at the latest nine months, at the latest <b>1 month for supply license, at the</b> earliest 15 months, at the latest 12 months for distribution company and incumbent supply company <b>before</b> the expiry of the current license term. It is obligatory to submit the document showing that the license renewal fee has been deposited to the Authority's account as an attachment to the application.</p>

<p><b>Rights and obligations of the transmission license holder</b>  <b>ARTICLE 31 -</b>  (2) TEİAŞ, in addition to those listed in the relevant legislation;  ...  <del>o) To prepare a twenty year Long Term Electric Power Generation Development Plan with generation capacity projections;</del>  ... is obliged  to.</p>	<p><b>Rights and obligations of the transmission license holder</b>  <b>ARTICLE 31 -</b>  (2) TEİAŞ, in addition to those listed in the relevant legislation;  ...  o)  ... is obliged  to.</p>
<p>A TEMPORARY ARTICLE HAS BEEN ADDED.</p>	<p><b>Forest permits</b>  <b>PROVISIONAL ARTICLE 40-</b> (1) The forestry preliminary permits submitted until 31/12/2025 by the legal entities that have an obligation within the framework of subparagraph (a) of the first paragraph of Article 17 of the Regulation and the first paragraph of Provisional Article 15 shall also be considered as forestry permits specified in the relevant articles.</p>
<p>A TEMPORARY ARTICLE HAS BEEN ADDED.</p>	<p><b>Publication of regional generation plant capacities</b>  <b>PROVISIONAL ARTICLE 41-</b> (1) TEİAŞ notifies the Authority and publishes on its website the capacities of regional generation facilities that can be connected to its systems for the five years following 2023 and for the following ten years until October 1, 2023.</p>