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# LAW ON THE UTILIZATION OF RENEWABLE ENERGY RESOURCES FOR THE PURPOSE OF GENERATING ELECTRICITY

Law No. : 5346

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## **CHAPTER ONE**

# Objective, Scope, Definitions and Abbreviations

# **Objective**

**ARTICLE 1** - (1) The purpose of this Law is to spread the use of renewable energy resources for electricity generation, to incorporate these resources to the economy in a reliable, economic and high quality manner, to increase resource diversity, reduce greenhouse gas emissions, utilize waste, protect the environment and to develop the manufacturing sector needed to achieve these objectives.

## Scope

**ARTICLE 2** - (1) This Law covers the procedures and principles regarding the protection of renewable energy resource zones, the certification of the electricity generated from these resources and the utilization of these resources.

#### **Definitions and Abbreviations**

**ARTICLE 3** - (1) In the implementation of this Law, the following definitions shall apply:

- 1. Ministry: Ministry of Energy and Natural Resources,
- 2. EMRA: Energy Market Regulatory Authority,
- 3. DSİ: General Directorate of State Hydraulic Works,
- 4. EİGM: General Directorate of Energy Affairs,
- 5. TEİAŞ: Turkish Electricity Transmission Corporation,
- $6.^{2}$
- 7.3 EPİAŞ: Energy Markets Operator Company of Turkey
- $8.^4$  Renewable Energy Resources (YEK): Non-fossil energy resources such as hydraulic, wind, solar, geothermal, biomass,  $(...)^{(1)}$  waves, current (...) and tide,
- 9.<sup>5</sup> Biomass: Provided that it is not imported; municipal waste (including landfill gas) as well as vegetable oil wastes, resources obtained from agricultural and forestry products including agricultural residues, by-products of processing these products and waste tires, and industrial waste sludge and sewage sludge,

<sup>&</sup>lt;sup>1</sup> Amended pursuant to Article 12 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>2</sup> Repealed pursuant to Article 12 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>3</sup> Amended pursuant to Article 12 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>4</sup> Amended pursuant to Article 12 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>5</sup> Amended pursuant to Article 12 of the Law No. 7257, dated 25 November 2020.

- 10.6 Geothermal Resource: Water, steam and gases whose temperature is constantly above the ambient atmospheric average temperature due to the natural heat in the earth's crust and may contain molten material and gas, as well as water, steam and gases that convey the energy of hot dry rocks,
  - 11.7
- 12. The average wholesale electricity price in Turkey: The average of the electricity wholesale prices calculated by EMRA and applied in the country during the year,
  - 13.8
- 14.9 YEK Support Mechanism: A support mechanism that includes the prices, periods, quantities, and the procedures and principles of payments to be made to those who are engaged in generation activities based on renewable energy resources within the scope of this Law,
  - $15^{10}$
- 16.<sup>11</sup> YEK Total Cost: The sum of the amounts calculated by multiplying the prices in the YEK list with the amount of electricity supplied to the transmission or distribution system by each of those subject to the YEK Support Mechanism, in Turkish Lira or in Turkish Lira value calculated through the Central Bank of the Republic of Turkey buying rate of the date the energy is transmitted to the system,
- 17. <sup>12</sup> Payment obligation rate: The rate, which will be used in calculating the amount that suppliers who sell electricity to consumers will be liable to pay, calculated by dividing the amount of electricity sold by each supplier to its consumers by the total amount of electricity sold by all of the suppliers.
- (2)<sup>13</sup> Terms and concepts that are not defined but mentioned in this Law shall have the meanings attributed to them under the Electricity Market Law dated 14/3/2013, numbered 6446.

# **SECOND CHAPTER**

Designation, Protection and Use of Renewable Energy Resource Zones and Certification of the Electricity Generated From Renewable Resources

# **Designation, Protection and Use of Resource Zones**

**ARTICLE 4-14** (1) The Ministry designates renewable energy resource zones on public lands and Ministry of Treasury and Finance owned immovables as well as immovables subject to private ownership, by taking the opinions of the relevant institutions and organizations, in order to use renewable energy resources effectively and efficiently, and for the rapid fulfillment of investments through the allocation of these zones and connection capacities to investors. This matter is then annotated to the land registry records. If the document to be obtained from the court in accordance with Article 10 of the Expropriation Law dated 4/11/1983 and numbered 2942 regarding the determination of the expropriation value and the request for registration in the name of the Ministry of Treasury and Finance is not submitted to the land registry office within three years from the date of annotation, this annotation is ex officio deleted from the records by the land

<sup>&</sup>lt;sup>6</sup> Amended pursuant to Article 12 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>7</sup> Repealed pursuant to Article 12 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>8</sup> Repealed pursuant to Article 12 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>9</sup> Amended pursuant to Article 12 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>10</sup> Repealed pursuant to Article 12 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>11</sup> Amended pursuant to Article 12 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>12</sup> Inserted pursuant to Article 1 of the Law No. 6094, dated 29 December 2010.

<sup>&</sup>lt;sup>13</sup> Amended pursuant to Article 12 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>14</sup> Amended pursuant to Article 26 of the Law No. 7226, dated 25 March 2020.

registry office. Zoning plans that affect the use and efficiency of renewable energy resource zones cannot be prepared. The designated renewable energy resource zones are notified to the relevant authorities by the Ministry to be included ex officio in the zoning plans.

- (2) Designating, rating, protecting and usage of the renewable energy resource zones for electricity generation based on the opinions of the relevant institutions and organizations, determining the conditions to be sought in the legal entities that will use these zones, giving opinion on the connection and system usage and capacity allocation by TEİAŞ and/or the relevant distribution company, the competition to be held, allocation of renewable energy resource zone, receiving guarantee, registering the guarantee as revenue in case of failure to fulfill the obligations, the features of the parts that are subject to the condition of using domestic equipment, and the procedures and principles regarding its implementation shall be regulated by the regulation issued by the Ministry. For generation facilities to be established in renewable energy resource zones, the lowest price to be offered subject to the ceiling price to be determined by the Ministry in Turkish Lira will be applied within the scope of the YEK Support Mechanism for the period to be determined in the competition conditions for that renewable energy resource zone. The procedures and principles for updating the price to be decided as a result of the competition within the period to be determined in the competition conditions shall be determined by the Ministry in the relevant competition specification. For generation facilities to be established within the scope of this article, preliminary license and license granting conditions, cancellation and amendment issues shall be regulated by the regulation issued by EMRA.
- (3) In case immovables subject to private ownership are designated as renewable energy resource zones, expedited expropriation can be made on these zones in accordance with article 27 of Law numbered 2942. In the event that the zones designated within the scope of the Industrial Zones Law dated 9/1/2002 and numbered 4737 are also designated as renewable energy resource zones according to this Law, necessary procedures other than designating the legal entity to whom these zones will be allocated to shall be carried out in accordance with the Law numbered 4737. However, legal entities to use these zones shall be designated by the Ministry within the scope of the provisions of this article.

## **YEK Certificate**

**ARTICLE 5 -** (1) In order to designate and monitor the resource type of electricity generated from renewable energy resources during its sale and purchase in domestic and international markets, a "Renewable Energy Resource Certificate" (YEK Certificate) is issued by EMRA for the generation license holder legal entity.

(2) The procedures and principles regarding the YEK Certificate shall be regulated by a regulation.

#### THIRD CHAPTER

# Procedures and Principles to be Applied in Electricity Generation from Renewable Energy Resources

# YEK Support Mechanism<sup>15</sup>

**ARTICLE 6** -<sup>16</sup> (1) For the generation license holders subject to the YEK Support Mechanism that have commenced or will commence operations beginning from 18/5/2005, when

<sup>&</sup>lt;sup>15</sup> Amended pursuant to Article 3 of the Law No. 6094, dated 29 December 2010.

<sup>&</sup>lt;sup>16</sup> Amended pursuant to Article 13 of the Law No. 7257, dated 25 November 2020.

this Law was adopted, until 31/12/2020, the prices in Schedule (I) attached to this Law shall be applied for a period of ten years. The prices and periods to be applied in accordance with this Law for the generation facilities with a YEK Certificate that will commence operations after 31/12/2020 shall be designated by the President, not exceeding the prices in the Schedule.

- (2) For the facilities within the scope of unlicensed generation activity, the procedures and principles regarding the transition to licensed generation activity subject to payment to the YEK Support Mechanism of fifteen percent of the hourly market clearing price occurred in the electricity market as contribution fee during the license period beginning from the end of the ten-year period; and/or the price to be applied to surplus electricity generated within the scope of unlicensed generation activity, not to exceed the market clearing price in the electricity market; shall be designated by the President.Hydroelectric generation facilities that are run-of-river type or that have a reservoir area of less than fifteen squarekilometers and electricity generation facilities based on wave, current and tidal energy can benefit from the prices specified for hydroelectric generation facilities in Schedule (I) attached to this Law.
- (3) The procedures and principles regarding the YEK Support Mechanism to be applied in Turkish Lira to electricity generation facilities that will become operational after 30/06/2021 and the update of such prices shall be designated by the President. Operational licensed electricity generation facilities that would like to be subject to the YEK Support Mechanism in the upcoming calendar year must obtain a YEK Certificate and apply to EMRA until the date designated by EMRA.
- (4) The periods prescribed in the YEK Support Mechanism start from the date of operation for those that are already operational, and on the date they start to operate for those that are not yet operational. Those who are subject to the YEK Support Mechanism cannot leave it within the year they participated.
- (5) The list of those who are subject to the YEK Support Mechanism and information regarding the commencement of operation dates of their facilities, their annual electricity generation capacities, and the annual generation program shall be published by EMRA by the end of the year according to the resource types.
- (6) The procedures and principles regarding how the net energy amount supplied to the system by electricity generation facilities that are using more than one energy resource, all of which are renewable shall benefit from the YEK Support Mechanism shall be regulated by a regulation issued by EMRA.
- (7) EPİAŞ announces the total amount of YEK and designates the payment obligation rate of each supplier, for each invoicing period. During the designation of the payment obligation rate, the amount of electricity generated from renewable energy resources within the scope of this Law but sold in the free market without being subject to the YEK Support Mechanism shall not be included in the calculations within the scope of this Law. The amount that each supplier providing electricity to consumers is obliged to pay is determined and invoiced to the relevant supplier and the payment collected is then paid to the legal entities subject to the YEK Support Mechanis,m in proportion to their shares. The procedures and principles regarding the practices within the scope of this clause, including EPİAŞ, shall be regulated by a regulation to be issued by EMRA.
- (8) The annual generation amount to be recorded in the licenses of the facilities generating electricity from renewable energy resources is the annual maximum generation amount that these facilities can generate with their current installed capacity as per their resource.

- (9) Legal entities generating electricity from renewable energy resources within the scope of this Law but not wanting to be subject to the provisions of this article can make sales in the free market within the scope of their licenses.
- (10) The obligations of generation facilities subject to the YEK Support Mechanism in terms of transmission and/or distribution system security as well as the designation of these generation facilities to operate in the balancing power market and/or ancillary services market, and the rights and obligations of the legal entities that will operate in these markets shall be regulated by a regulation issued by EMRA.
- (11) The procedures and principles regarding the tariffs applied to support electricity generation from renewable energy resources and of utilization of other revenues within the scope of the YEK Support Mechanism shall be regulated by a regulation issued by EMRA.

# Unlicensed electricity generation activity<sup>17</sup>

- **ARTICLE 6/A** -<sup>18</sup> (1) Individuals and legal entities engaged in unlicensed electricity generation activities that generate electricity from renewable energy resources in order to meet their own consumption needs can benefit from the prices in Schedule (I) for ten years, if they transmit the surplus electricity they generate to the distribution system.
- (2) In this context, it is compulsory for the assigned supplier company to purchase the electricity supplied to the distribution system. The electricity purchased by the relevant companies in accordance with this article is deemed to have been produced and transmitted to the system within the scope of the YEK Support Mechanism by the relevant assigned supplier company.

# Use of domestic products<sup>19</sup>

- **ARTICLE 6/B** -20 (1) If the mechanical and/or electro-mechanical parts used in the generation facilities that start to operate before 30/6/2021 and are based on renewable energy resources within the scope of this Law are produced domestically; the prices specified in the Schedule (II) attached to this Law shall be added to the prices specified in Schedule (I), for a period of five years, starting from the commencement of operation dates for the electricity generated in these facilities and supplied to the transmission or distribution system.
- (2) The procedures and principles regarding the domestic contribution prices to be applied in Turkish Lira to be applicable to generation facilities using domestic parts, that have a YEK Certificate and will become operational after 30/6/2021 and to unlicensed generation facilities to be established in order to meet the needs of its consumption facility; the updates to these prices, the period to be applied and other procedures and principles regarding implementation will be designated and announced by the President.
- (3) The procedures and principles regarding the definition, standards, certification and inspection of the scope of domestic parts shall be regulated by a regulation to be issued by the Ministry.

# Other practices<sup>21</sup>

<sup>&</sup>lt;sup>17</sup> Amended pursuant to Article 14 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>18</sup> Amended pursuant to Article 14 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>19</sup> Inserted pursuant to Article 4 of the Law No. 6094, dated 29 December 2010.

<sup>&</sup>lt;sup>20</sup> Amended pursuant to Article 15 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>21</sup> Inserted pursuant to Article 4 of the Law No. 6094, dated 29 December 2010.

**ARTICLE 6/C**  $-^{22}$  (1) Legal entities that obtain a license to generate electricity from renewable energy resources within the scope of this Law may establish additional capacity, provided that the areas specified in their licenses are not exceeded and that the power transmitted to the system at the time of operation does not exceed the installed capacity specified in their licenses.

- (2)<sup>23</sup> Those who get approval of EMRA on the license amendment for capacity increase within the scope of Article 7 of the Electricity Market Law dated 14/3/2013 and numbered 6446 after the effective date of this paragraph for their electricity generation licenses based on renewable energy resources cannot benefit from the YEK Support Mechanism for the said capacity increase. The procedures and principles regarding implementation shall be regulated by a regulation issued by EMRA.
- (3)<sup>24</sup> The obligation to pay the contribution or participation fee that is promised to be paid in accordance with the Law numbered 4628 and Law numbered 6446 for the capacity commissioned within the scope of the second paragraph is unaffected.

 $(4)^{25}$ 

(5) EMRA gives priority to generation facilities based on renewable energy resources within the scope of this Law in the process of forming the connection opinion while evaluating license applications.

 $(6)^{26}$ 

 $(7)^{27}$ 

 $(8)^{28}$ 

# FOURTH CHAPTER Principles Regarding Investment Period Practices

# **Investment Period Practices**

**ARTICLE 7** - (1)<sup>29</sup> No service fee is charged to the individuals and legal entities that establish an isolated electricity generation facility with a maximum installed capacity of one thousand kilowatts and network-supported electricity generation facilities using renewable energy resources, only to meet their own consumption needs; provided, the final project, planning, master plan, preliminary examination or initial study is prepared by DSİ or EİGM.

- $(2)^{30}$  The following investments within the scope of this Law may benefit from incentives subject to a Presidential decision:
  - a) Energy generation facility investments;
  - b) Supply of electro-mechanical systems which are domestically manufactured;
- c) R&D and manufacturing investments within the scope of electricity generation systems using solar cells and concentrator photovoltaic units;
- d) R&D facility investments for electricity generation or fuel production using biomass resources.

<sup>&</sup>lt;sup>22</sup> Inserted pursuant to Article 4 of the Law No. 6094, dated 29 December 2010.

<sup>&</sup>lt;sup>23</sup> Inserted pursuant to Article 39 of the Law No. 7164, dated 14 February 2019.

<sup>&</sup>lt;sup>24</sup> Inserted pursuant to Article 39 of the Law No. 7164, dated 14 February 2019.

<sup>&</sup>lt;sup>25</sup> Repealed pursuant to Article 16 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>26</sup> Repealed pursuant to Article 30 of the Law No. 6446, dated 14 March 2013.

<sup>&</sup>lt;sup>27</sup> Repealed pursuant to Article 16 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>28</sup> Repealed pursuant to Article 30 of the Law No. 6446, dated 14 March 2013.

<sup>&</sup>lt;sup>29</sup> Amended pursuant to Article 17 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>30</sup> Amended pursuant to Article 164 of the Decree Having the Force of Law No. 700, dated 2 July 2018.

(3) It is essential for settlements within the boundaries of governorships and municipalities in regions with sufficient geothermal sources to meet their heat energy needs primarily from geothermal and solar thermal sources.

# Practices regarding land requirements

- **ARTICLE 8** -<sup>31</sup> (1) The Ministry of Environment and Forestry or the Ministry of Treasury and Finance gives permission, rents, establishes an easement or gives a usage permit in return for a fee regarding the immovables which qualify as forest or are under the private ownership of the Ministry of Treasury and Finance or under the control and disposal of the State, and that will be used for the facility, access roads and the energy transmission line up to the connection point to the network for the purpose of generating electricity from renewable energy resources within the scope of this Law.
- (2) Provided that the immovables to be used for the purposes specified in the first paragraph of this article qualify as pasture, summer pasture, winter pasture as well as public grassland and meadows within the scope of the Pasture Law dated 25/2/1998 and numbered 4342, these immovable properties are registered in the name of the Ministry of Treasury and Finance, by changing the purpose of allocation in accordance with the provisions of the Pasture Law numbered 4342. The Ministry of Treasury and Finance leases or establishes an easement on these immovables, in return of a fee.
- (3)<sup>32</sup> Generation facilities based on renewable energy resources within the scope of this Law, including those in operation as of the publication date of this Law and those that will commence operations no later than 31/12/2025, as well as transportation routes and energy transmission lines (including those to be transferred to TEİAŞ and distribution companies) up to the system connection point specified in their licenses, shall be entitled to an eighty five percent discount for the permission, lease, easement and usage permit fees for a duration of ten years from the license date. Forest Villagers Development Fee and Deforestation and Erosion Control Fee is not charged.
- (4) The Ministry of Treasury and Finance grants a free of charge permission to use the immovable properties that are privately owned by the Ministry of Treasury and Finance and that are under the control and disposal of the State for the reservoir area of hydroelectric generation facilities within the scope of this Law.
- (5)<sup>33</sup> The establishment of electricity generation facilities based on renewable energy resources is permitted in national parks, natural parks, natural monuments and natural reserves, in conservation forests, wildlife improvement areas, and special environment protection areas, provided that the relevant Ministry renders a positive opinion, and in the case of natural protection areas provided that the conservation zone board renders its positive opinion.
- (6)<sup>34</sup> The provisions of the additional article 2 of the Law on Utilization of Immovable Properties Owned by the Ministry of Treasury and Finance and Amendment of the Value Added Tax Law dated 29/6/2001 and numbered 4706 shall not be applicable to electricity generation facilities based on renewable energy resources within the scope of this Law.

#### FIFTH CHAPTER

<sup>&</sup>lt;sup>31</sup> Amended pursuant to Article 23 of the Law No. 5784, dated 9 July 2008.

<sup>&</sup>lt;sup>32</sup> Amended pursuant to Article 18 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>33</sup> Inserted pursuant to Article 5 of the Law No. 6094, dated 29 December 2010.

<sup>&</sup>lt;sup>34</sup> Inserted pursuant to Article 5 of the Law No. 6094, dated 29 December 2010.

#### **Miscellaneous Provisions**

#### **Coordination of Practices**

**ARTICLE 9 -** (1) The Ministry ensures coordination of the implementation, guidance, monitoring, and evaluation of the basic principles and obligations, and planning of those measures specified in this Law to be adopted.

## **Sanctions**

**ARTICLE 10** -35 (1) Provisions of article 11 of Law numbered 4628 shall be applied to those who are found to be operating in violation of articles 6 and 6/A of this Law.

# Regulations

**ARTICLE 11 -** (1) Within four months from the effective date of this Law, the regulation concerning article 5 of this Law shall be prepared and put into effect by EMRA and other regulations shall be prepared and put into effect by the Ministry.

**ARTICLE 12 -**  $(1)^{36}$ 

**ARTICLE 13 -**  $(1)^{37}$ 

**PROVISIONAL ARTICLE 1 -** (1) Non-operating legal entities within the scope of the build-operate-transfer model that are within the scope of the existing contracts defined in the Electricity Market Law numbered 4628 and that will generate electricity from renewable energy resources within the scope of this Law can benefit from the practices within the scope of this Law, provided that they waive their rights arising out of the existing contracts. EMRA issues generation license to these projects.

**PROVISIONAL ARTICLE 2 -** (1) Public distribution companies holding retail licenses shall be exempt from purchasing obligations within the scope of article 6 of this Law until 1.1.2007, except for the existing legislation and practices of the Ministry and EMRA. However, they can make electricity sales agreements with legal entities holding a YEK certified generation license that apply to them after the effective date of this Law,pursuant to which the purchase obligations will be valid as of 1.1.2007.

**PROVISIONAL ARTICLE 3 -** (1) The projection specified in article 6 of this Law will be published by the Ministry within three months from the effective date of this Law. However, this projection also includes projects that have been granted generation licenses by EMRA before the effective date of the Law, and projects that will receive generation licenses under this Law among the existing contracted projects defined in the provisional article 1.

# **PROVISIONAL ARTICLE 4 -** (1)<sup>38</sup>

<sup>&</sup>lt;sup>35</sup> Amended pursuant to Article 6 of the Law No. 6094, dated 29 December 2010.

<sup>&</sup>lt;sup>36</sup> Related to the Law on the Organization and Duties of the General Directorate of State Hydraulic Works No. 6200, dated 18 December 1953 and has been inserted therein.

<sup>&</sup>lt;sup>37</sup> Related to the Law No. 3096 dated 4 December 1984 and has been inserted therein.

<sup>&</sup>lt;sup>38</sup> Repealed pursuant to Article 30 of the Law No. 6446, dated 14 March 2013.

**PROVISIONAL ARTICLE 5**  $^{-39}$  (1) The regulations envisaged to be issued in articles 6, 6/A, 6/B and 6/C of this Law shall be published within 3 months from the effective date of this article. Those who want to enroll in the YEK Support Mechanism in 2011 must obtain a YEK Certificate and apply to EMRA within 1 month following the publication of the regulations envisaged in articles 6, 6/A, 6/B and 6/C. The list of those subject to the YEK Support Mechanism in 2011 will be published by EMRA within 1 month following the applications.

**PROVISIONAL ARTICLE 6**  $^{-40}$  (1) The periods stipulated in the YEK Support Mechanism start from the date a facility is enrolled in the YEK Support Mechanism, for facilities that generate energy from resources included in the definition of biomass in the sub-paragraph (9) of the first paragraph of Article 3 of this Law, and from resources set forth in Law on the Amendment of the Electricity Market Law and Certain Other Laws dated 4/6/2016 and numbered 6719.

**PROVISIONAL ARTICLE 7** -<sup>41</sup> (1) Legal entities allocated with capacity with bid prices of zero or less than zero within the scope of the competitions held before the effective date of this article, cannot benefit from the domestic contribution prices.

**PROVISIONAL ARTICLE 8** -<sup>42</sup> (1) The contribution fee applicable to generation facilities prevailing in competitions held for capacity allocations for solar energy-based pre-license applications between 12/5/2014 and 30/4/2015, will be paid within the scope of the relevant legislation, even ifoperations commence after 31/12/2020.

**PROVISIONAL ARTICLE 9** -<sup>43</sup> (1) The contribution fee applicable to generation facilities prevailing in competitions held for capacity allocations for wind energy-based license applications between 15/2/2011 and 13/9/2011, will be paid within the scope of the relevant legislation, even ifoperations commence after 31/12/2020.

# **Entry Into Force**

**ARTICLE 14 -** (1) This Law shall enter into force on the date of its publication.

## **Execution**

**ARTICLE 15 -** (1) The provisions of this Law shall be executed by the Council of Ministers.

<sup>&</sup>lt;sup>39</sup> Inserted pursuant to Article 7 of the Law No. 6094, dated 29 December 2010.

<sup>&</sup>lt;sup>40</sup> Inserted pursuant to Article 15 of the Law No. 7186, dated 17 July 2019.

<sup>&</sup>lt;sup>41</sup> Inserted pursuant to Article 19 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>42</sup> Inserted pursuant to Article 20 of the Law No. 7257, dated 25 November 2020.

<sup>&</sup>lt;sup>43</sup> Inserted pursuant to Article 21 of the Law No. 7257, dated 25 November 2020.

| Schedule I <sup>44</sup>  |  |  |
|---|--|--|
| Generation Facility Type Based<br>on Renewable Energy<br>Resource   | Applicable Prices  |  |
| a. Hydroelectric generation facility  | 7,3 (USD cent/kWh)   |  |
| b. Wind power based generation facility   | 7,3 (USD cent/kWh)   |  |
| c. Geothermal power based generation facility   | 10,5 (USD cent/kWh)  |  |
| d. Biomass based generation facility (including landfill gas)   | 13,3 (USD cent/kWh)  |  |
| e. Solar power based generation facility  | 13,3 (USD cent/kWh)  |  |
| f. Facilities within the scope of unlicensed electricity generation activity based on renewable energy resources that have been entitled to receive a letter of invitation to sign connection agreement as of 10/5/2019 | Retail one-time active energy cost of its own subscriber group announced by EMRA as TL kurus/kWh |  |

 $^{\rm 44}$  Amended pursuant to Article 22 of the Law No. 7257, dated 25 November 2020.

| Schedule II <sup>45</sup>                             |  |  |  |
|---|--|--|--|
| Type of Facility                                      | Domestically Manufactured<br>Component   | Domestic<br>Contribution<br>Price add-on<br>(USD cent/kWh) |  |
| A- Hydroelectric generation                           | 1- Turbine   | 1,3  |  |
| facility  | 2- Generator and power electronics   | 1,0  |  |
| B- Wind power based generation facility               | 1- Blade 2- Generator and power electronics 3- Turbine tower 4- All of the mechanical equipment in rotor and nacelle groups (excluding payments made for the blade group | 0,8<br>1,0<br>0,6<br>1,3                                   |  |
|   | and generator and power electronics.)  |  |  |
|   | 1- PV panel integration and solar structural mechanics manufacturing   | 0,8  |  |
| C. Dhatavaltaia salam mayyam                          | 2- PV modules  | 1,3  |  |
| C- Photovoltaic solar power                           | 3- Cells forming the PV module   | 3,5  |  |
| based generation facility                             | 4- Invertor  | 0,6  |  |
|   | 5- Material concentrating solar rays onto PV module  | 0,5  |  |
|   |  |  |  |
|   | 1- Radiation collection tube   | 2,4  |  |
|   | 2- Reflective surface plate  | 0,6  |  |
|   | 3- Sun tracking system   | 0,6  |  |
| D- Concentrated solar power based generation facility | 4- Mechanical accessories of the heat energy storage system  | 1,3  |  |
|   | 5- Mechanical accessories of steam generation system that collects sun rays on the tower   | 2,4  |  |
|   | 6- Stirling engine   | 1,3  |  |
|   | 7- Panel integration and solar panel structural mechanics  | 0,6  |  |
|   | 1. Ehrid had stages to the   | 0.0  |  |
|   | 1- Fluid bed steam tank  | 0,8  |  |
| E- Biomass power based generation facility            | 2- Liquid or gas fired steam tank 3- Gasification and gas cleaning group   | 0,4  |  |
|   | 4- Steam or gas turbine  | 2,0  |  |
|   | 5- Internal combustion engine or stirling engine   | 0,9  |  |

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 $<sup>^{45}</sup>$  Amended pursuant to Article 23 of the Law No. 7257, dated 25 November 2020.

|                           | 6- Generator and power electronics |     |
|---------------------------|------------------------------------|-----|
|                           | 7- Cogeneration system             | 0,4 |
|                           |                                    |     |
|                           | 1- Steam or gas turbine            | 1,3 |
| F- Geothermal power based | 2- Generator and power electronics | 0,7 |
| generation facility       | 3- Steam injector or vacuum        | 0,7 |
|                           | compressor                         |     |
|                           |                                    |     |

# LIST OF THE LEGISLATION SUPPLEMENTING AND AMENDING THE LAW NUMBERED 5346 OR PROVISIONS CANCELLED BY THE CONSTITUTIONAL COURT

| Number of the<br>Amending<br>Law/Cancelin<br>g<br>Constitutional<br>Court<br>Decision | Amended or Cancelled Articles of the<br>Law numbered 5346  | Effective Date  |
|---|--|---|
| 5627  | 6, 8   | 2/5/2007  |
| 5784  | 8  | 26/7/2008   |
| 6094  | 3, 4, 6, 6/A, 6/B, 6/C, 8, 10, PROVISIONAL ARTICLE 5, Schedule (I) and Schedule (II)   | 8/1/2011  |
| 6111  | PROVISIONAL ARTICLE 4  | 25/2/2011   |
| 6353  | 6/C  | 12/7/2012   |
| 6446  | Fourth and sixth paragraphs of the article 6/C and PROVISIONAL ARTICLE 4   | 30/3/2013   |
| 6719  | 3, 6   | 17/6/2016   |
| Decree/700  | 6, 6/B, 6/C ,7   | On the date President came to the office by taking an oath as a result of the Parliamentary and Presidential elections dated 24/6/2018 (9/7/2018) |
| 7153  | 6/A  | 10/12/2018  |
| 7164  | 6,6/C  | 28/2/2019   |
| 7186  | Provisional Article 6  | 19/7/2019   |
| 7226  | 4, 6   | 26/3/2020   |
| 7257  | 3, 6, 6/A, 6/B, 6/C, 7, 8, Provisional Article 7, Provisional Article 8, Provisional Article 9, Schedule (I) and Schedule (II) | 2/12/2020   |