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**SPECIFICATIONS FOR ALLOCATION OF WIND-BASED RENEWABLE
ENERGY ZONES AND CONNECTION CAPACITIES
(YEKA (REZ) WPP-2024 SPECIFICATIONS)**

1. OBJECTIVE AND SCOPE

The objective of these Specifications is to set out the principles and procedures applicable to the allocation, for 49 (forty-nine) years of Connection Capacities and the right to use related Renewable Energy Zones (REZ) designated for the installation of 5 (five) wind power plants (WPP) specified in Annex-1 within the scope of the Auction Notice (REZ WPP-2024 Auctions) published in the Official Gazette No. 32706 dated 28/10/2024 by the Ministry of Energy and Natural Resources, within the framework of the principles laid down in the Regulation on Renewable Energy Zones (“Regulation”) published in the Official Gazette no. 29852 dated October 09, 2016.

The principles and procedures applicable for this purpose shall be executed in line with the provisions of the Regulation, these Specifications and the Contract. The Specifications cover the following:

- 1) Carrying out Project development activities by conducting the required measurements, analyses, technical and economic studies and preparing the area designated within the REZ for investment,
- 2) The supply of the components to be used within the REZ in such manner that the properties of these components and the domestic contribution rates will be satisfied as stipulated in the Specifications,
- 3) Obtaining required permits and installing WPP within the REZ,
- 4) Generating electrical energy at the WPP to be installed within the REZ and selling such electricity,
- 5) Identification of other technical and administrative conditions concerning generation and operation,
- 6) Identification of the scope, principles and procedures, technical and administrative conditions of the Auction, qualifications required for Bidders and provisions governing other relevant matters.

2. DEFINITIONS, ACRONYMS AND ABBREVIATIONS

2.1. For the purposes of the implementation and interpretation of the provisions of these Specifications, the following capitalized terms, acronyms and phrases used in these

Specifications shall have the meanings ascribed to them in this article. Within the context of these Specifications,

- 1) “Component” means the equipment/structures that form the main parts of the Wind Turbine used for the WPP and specified in Annex-2 of the Specifications,
- 2) “Purchase Period” means the **20 (twenty)-year** period within which the electrical energy generated is supplied to the transmission system after the expiration of the Open Market Sale Period,
- 3) “Connection Capacity” means the total electricity capacity allocated through Auction, in megawatt (MW) terms,
- 4) “Minister” means the Minister of Energy and Natural Resources,
- 5) “Ministry” means the Ministry of Energy and Natural Resources,
- 6) “EMRA” means the Energy Market Regulatory Authority,
- 7) “Directorate General” means the Energy Affairs Directorate General,
- 8) “Work” means all rights and obligations concerning the construction/installation and operation, for the defined periods, of the WPP in compliance with the Auction documents and the applicable national and international laws,
- 9) “License” means a fixed-term permit for electricity generation, issued for legal entities to be able to operate in the electricity market, in compliance with the Electricity Market Law No. 6446 dated March 14, 2013 and the applicable legislation,
- 10) “Preliminary License” means the fixed-term permit issued for legal entities willing to engage in generation activity, so that they can obtain the required approvals, permits, licenses and similar certificates to start WPP investments in compliance with the Electricity Market Law No. 6446 and the applicable legislation,
- 11) “Market Clearing Price” means the definition in YEKDEM Regulation,
- 12) “WPP” means the Wind Power Plant installed and operated within REZ,
- 13) “Wind Turbine” means the unit that converts wind energy to electrical energy,
- 14) “Open Market Sale Period” means the **72 (seventy-two)-month** period within which the electricity generated beginning from the Contract signing date is sold in the open market,
- 15) “Contract” means the “Contract for Allocation of Wind-Based Renewable Energy Zones and MWe Connection Capacity, signed between the Ministry and Auction Winner”,
- 16) “Specifications” means the document annexed to the Contract, which covers the works and procedures to be carried out, scope, principles and procedures, technical and

administrative conditions of the Auction, qualifications required for Bidders, other relevant information, addenda and all other annexes including answers given in connection with the Specifications,

- 17) “Auction” means each REZ Auction announced on the Ministry’s website (<http://www.enerji.gov.tr>) and to be held in compliance with the Regulation and Specifications, within the context of the Auction Notice published in the Official Gazette no. 32706 dated 28/10/2024,
- 18) “Bidder” means the legal entity invited to participate in the Auction in accordance with the Regulation and Specifications,
- 19) “Auction Winner” means the legal entity who signs the REZ Contract and commits and undertakes to execute the Works subject to the Auction,
- 20) “YEKDEM Regulation” means the Regulation on Certification and Support of Renewable Energy Resources published in the Official Gazette no. 28782 dated October 01, 2013,
- 21) “Renewable Energy Zone (REZ)” means the wind-based renewable energy zones announced as REZ in the Official Gazette and given in Annex-6,
- 22) “Domestic Contribution Rate” means the domestic contribution rate calculated within the framework of Communiqué on Domestic Goods (SGM 2014/35), published in the Official Gazette no. 29118 dated September 13, 2014,
- 23) “Domestic Goods Certificate” means the certificate issued within the scope of the Communiqué on Domestic Goods (SGM 2014/35), showing the Domestic Contribution Rate of a Component indicated in the Specifications,
- 24) “Authorized Representative” means the person or persons authorized to represent and bind the Bidder,
- 25) “Regulation” means the Renewable Energy Zones Regulation published in the Official Gazette no. 29852 dated October 9, 2016.

2.2. Other terms and acronyms used in the Specifications shall have the meaning and scope ascribed to them in the relevant legislation.

3. AUCTION

Under the Specifications, **5 (five)** Auctions shall be held for the allocation of **1.200 (onethousandtwohundred) MW** Connection Capacity **in total**, as specified Annex-1.

3.1. Documents Required for Application for Auction and Their Preparation

3.1.1. Bidders shall submit the following documents without any change, in the same order as listed below and in compliance with the formats given in the annexes of the Specifications.

- 1) Letter of Application (Annex-3),
- 2) Sealed financial bid envelope prepared for each Auction applied for (Annex-4),
- 3) A receipt or account abstract evidencing payment of **50,000 (fifty thousand) Turkish Liras**, received from the Central Accounting Office of the Ministry of Energy and Natural Resources of Republic of Türkiye or from a bank, for each Auction applied for,
- 4) A Letter of Guarantee (Annex-5/Form-1) prepared for each Auction applied for, with an amount and conditions specified in the Specifications, certificate of registry of each bank official approving the Letter of Guarantee and the copy of Trade Registry Gazette of Türkiye which indicates their authorizations, Letter of Guarantee Confirmation Letter issued by the bank and the certificates of registry of persons approving that letter as well as documents evidencing their authority to represent and bind,
- 5) Notarized certificates of registry or powers of attorney which clearly indicate the names of their Authorized Representatives and their authorization to represent and bid, specimen signatures of persons delegating the authority to represent and bind as well as their original certificates of registry or their copies approved by the authorized bodies,
- 6) Trade Registry Gazette(s) showing the latest status of the Bidder
- 7) Electronic documents or official letters to serve as “Social Security Institution Premium Debt Clearance” and “Tax Debt Clearance” certificates, received from public agencies and authorities for the Bidder within the last **3 (three)** months before the date of application.
- 8) If the Applicant is a foreign company, equivalent document(s) to the documents specified in fifth and sixth subclauses, issued in accordance with the applicable legislation in the Applicant’s home country.

3.1.2. All types of information, documents and clarifications submitted in the application and required by the Specifications shall be recognized as responses to Specifications.

3.1.3. Bidders shall prepare the documents to be prepared for the application for the Auction(s) indicated in the Letter of Application in the form and with content specified below and shall deliver them by hand to the Directorate General as specified in the Auction Notice.

- 1) All application documents shall be submitted in a sealed outer envelope/package. The full mailing address of the applicant, to be taken as basis for notification, and the name of each Auction applied for, from the list given in Annex-1, shall be written on the outer envelope/package. The flap of outer envelope/package shall be sealed across and signed by the Authorized Representative.
- 2) Financial bid shall be inserted in a sealed inner envelope. The sealed envelope containing financial bid shall bear the full mailing address of the applicant for notifications and the name of the Auction applied for, from the list given in Annex-1. The envelope flap shall be both sealed across and signed by the Authorized representative. The sealed inner

envelope containing the financial bid shall be placed in a larger sealed outer envelope/package which contains all application documents.

- 3) In case of application for multiple Auctions, separate receipt/account extract, letter of guarantee (Annex-5/Form 1) and financial bid envelope shall be prepared for each Auction applied for. The receipts/account extracts, letters of guarantee (Annex-5/Form 1) and financial bid envelopes prepared for all Auctions to be applied for, and other documents prepared in single copy can be submitted in the same application file.
- 4) The Connection Capacity value and other information regarding the Auction applied for cannot be changed. Differentiated and conditional applications shall not be evaluated.

3.1.4. Financial bids with scrapes, erasures or corrections and conflicting information shall be deemed invalid.

3.1.5. Original or notarized copies of documents in Turkish shall be submitted. The documents in foreign language have to be sworn-translated with apostille approval, and for countries that are not party to the Hague Convention, the translated documents must be approved by the equivalent authority of the respective country and by the Turkish Consulate.

3.1.6. The sealed financial bid envelopes of applications which are not compliant with the Regulation and Specifications shall not be opened and the application shall not be evaluated. The Commission shall open the sealed larger envelopes according to the order of document registration numbers, at the place, date and time specified in the Auction Notice, in the presence of applicants. The applications found not to be accompanied by a letter of guarantee and financial bid envelope shall be deemed invalid.

3.1.7. Bidders shall notify changes of address and trade name to the Directorate General in writing. In the event that any change in the addresses declared by a Bidder is not notified to the Directorate General, the notifications made to the registered address shall be deemed valid.

3.1.8. Bidders may request, in writing, additional clarification or correction about the Specifications until **10 (ten)** days before the Auction application deadline specified in the Auction Notice. The Directorate General shall respond to the requests that are found appropriate, anonymously via the website of the Ministry.

3.1.9. As deemed necessary, the Directorate General may issue an addendum until **5 (five)** days before the Auction application deadline. Addenda form a complementary and integral part of Auction documents. The issued addenda shall be posted on the website of the Ministry.

3.1.10. The Directorate General may request detailed clarifications from Bidders regarding the information and documents submitted as part of the application within the framework of the Specifications. Unless a different period is specified, the requested information and documents shall be submitted to the Directorate General within **5 (five)** days.

3.2. Structure of the Bidder

3.2.1. Legal entities established as joint stock company or limited liability company under Turkish Commercial Code and foreign companies having the status of equity company can apply for the Auction.

3.2.2. If a foreign company wins the auction, the foreign company shall complete incorporation process of a legal entity having the status of joint stock company or limited liability company subject to Turkish Commercial Code, with the same shareholding structure or as a wholly-owned company, latest by the Contract signing date.

3.3. Auction Procedure and Conclusion of Auction

3.3.1. Bidders satisfying the conditions set out in the Regulation and Specifications shall be eligible for participating in the **Auctions**.

3.3.2. Depending on the completion date of detailed document review, the venue, date and time of Auctions shall be published on the website of the Ministry at least **3 (three)** days before the date of the first Auction.

3.3.3. The unit electricity purchase ceiling price per kilowatt-hour has been set as **5,50 US-cent/kWh, and the floor price as 3,50 US-cent/kWh**. The unit purchase price per kilowatt-hour (financial bid) quoted in the sealed financial bid envelope shall be expressed with two decimal digits. Financial bids proposed outside the range of ceiling and floor prices shall be deemed invalid. Once financial bid envelopes are opened, applicants shall be informed by the Commission and the bids in financial bid envelopes shall be ranked by their value. An auction shall be executed using the reverse auction procedure among the maximum five applicants who have quoted the lowest financial bids. When determining the five lowest financial bids, in case of equal bid values among them, all of the applicants who have quoted equal bid values shall be included in the auction. The auction shall proceed by taking the lowest financial bid as a basis, and Bidders shall sequentially underbid the previously quoted lowest price each time, until the floor price is quoted. The auction is concluded when the lowest and final bid above the floor price is reached.

If one of the Bidders quotes the floor price, bids shall be received from other Bidders in sequence. The Auction shall be concluded when other Bidders withdraw from the Auction. If the floor price is quoted by a second Bidder, the second Bidder shall be deemed to have accepted to pay minimum **10.000 (tenthousand) USD** per MW, which will be followed by an auction for contribution share payable per MW. The auction will be concluded when the highest bid for contribution share is reached.

3.3.4. As it deems necessary, the Commission may set bid ranges for decreasing price and increasing contribution fee. The applicants who quote their final bids and do not submit a new bid shall sign the minutes of auction and cannot submit any more bids in the Auction.

3.3.5. The price and contribution share bids quoted by the Authorized Representative shall become binding and valid, without being subject to any signature requirement.

3.3.6. If any contribution share amount arises as a result of the auction, such amount shall be paid to EPİAŞ in full within **20 (twenty) working days** after the Bidder is invited for Contract, based on the foreign exchange selling rate of Central Bank of Republic of Türkiye effective as of the payment date. The amount paid shall be regarded by EPİAŞ in the scope of YEKDEM as monthly equal installments within 1 year. If the contribution share is not paid within due time, the guarantee shall be recorded as income and the Bidders with second and third lowest bids, respectively, shall be given **20 (twenty) working days** to pay the contribution share.

3.3.7 In cases where the Regulation and Specifications does not include provisions about any aspect of the auction procedures, such aspects of auction procedures shall be determined by the commission. The commission's minutes prepared after the auction shall be submitted to the Minister for approval. The Auction shall be concluded following the Minister's approval.

3.3.8. The Ministry may postpone, suspend or cancel the Auctions, without requirement to raise any justification, at any stage until a Bidder is invited for Contract signing.

3.4. Inviting A Bidder for Contract Signing

3.4.1. The Bidder shall be invited by the Directorate general for Contract signing after the Minister's approval is notified. The bidder who is invited for Contract signing must sign the Contract within maximum **30 (thirty)** days from the date when the letter of invitation is notified. When the Contract is signed with the first ranked bidder, or if the second and third ranked bidders are not invited for Contract signing, the letters of guarantee of second and third ranked bids shall be returned. If the first-ranked bidder does not respond to the invitation for Contract signing within the defined period, its letter of guarantee shall be recorded as revenue and letters of invitation for Contract signing may be sent to the second and third-ranked bidders, respectively, within the framework of Minister's Approval. If the Bidder invited for Contract signing does not sign the Contract within the defined period, the same actions as those specified above shall be carried out.

3.4.2. The contribution share paid as a result of the Auction shall under no condition be refunded.

3.4.3. If the Bidder who is invited for Contract signing undergoes any change in shareholding structure between the date of application and Contract signing date, then the Bidder shall submit the copy of Trade Registry Gazette(s) showing the latest shareholding structure of the Bidder to the Directorate General before responding to the invitation for Contract signing.

4. ACTIONS TO BE TAKEN AFTER CONTRACT SIGNING

4.1. The Auction Winner shall submit a detailed Work Program covering, at minimum, the project development, procurement, construction/installation, commissioning, etc. stages of the WPP to the Directorate General within **30 (thirty)** days from the Contract signing date. The Directorate General shall review the Work Program and notify any comments and requests for correction to the Auction Winner, for submission back to the Directorate General within the specified timeline. Where necessary, the Work Program may be revised by informing the Directorate General with justification. The Directorate General shall be furnished with quarterly progress reports in compliance with the Work Program. The progress reports to be submitted to the Directorate General shall be prepared by accredited oversight and/or certification agencies to be found acceptable by the Directorate General and hired by the Auction Winner. The installation and commissioning periods cannot exceed the total duration stated in the Specifications, without prejudice to the provisions of the Specifications regarding extension of time.

4.2. The Directorate General shall send a notice to EMRA for the issuance of Preliminary License to the Auction Winner.

4.3. The legal entity declared to EMRA for issuance of Preliminary License shall apply for preliminary license within 15 (fifteen) days from the date of notice, for the whole Connection Capacity declared by the Directorate General to EMRA and in compliance with the principles laid down in the “Regulation on Technical Evaluation of Applications for Electricity Generation Based on Wind Power”, published in the Official Gazette no. 29508 dated October 20, 2015. The legal entity that is entitled to apply for preliminary license must satisfy the conditions required for legal entities applying for Preliminary License, as stipulated in the Electricity Market Licensing Regulation, published in the Official Gazette no. 28809 dated November 2, 2013.

4.4. EMRA shall issue a Preliminary License to the legal entity that has applied for preliminary license, in compliance with the principles of Electricity Market Licensing Regulation.

4.5. Without prejudice to the provisions of the Specifications and Contract regarding extension of time, if an application for Preliminary License has not been filed within due time for the whole amount of Connection Capacity that has been declared to EMRA, all rights granted under the Contract shall automatically expire and the Ministry shall terminate the REZ Contract and record the guarantee as revenue.

4.6. As a result of the evaluation to be conducted by EMRA, the application documents of the Auction Winner shall be checked for any deficiencies if any and shall have these deficiencies be completed within the time given under Electricity Market Licensing Regulation and the preliminary license shall be issued. If the deficiencies are not corrected within the allowed timeframe all rights granted under the Contract shall automatically expire and the Ministry shall terminate the REZ Contract and record the guarantee as revenue.

4.7. The Directorate General shall prepare a letter of compliance, confirming that the conditions required under the Regulation and Specifications have been satisfied, and send it to EMRA and the related legal entity holding Preliminary License. Within **15 (fifteen)** days from the date of notification of letter of compliance, legal entity holding Preliminary License shall apply for License. If the application for license is not filed within the due course, the REZ Contract shall be terminated and the guarantee shall be recorded as revenue. If the capacity for which License application has been filed within due course is less than 70 percent of the capacity allocated to the related project under the Contract, the Ministry shall terminate the Contract and record the guarantee as revenue.

4.8. In the event that the capacity specified in the License could not be completed within the construction period, which must not be less than 70 percent of the capacity allocated to the related project under the Contract, and if requested by the Auction Winner, the construction period may be extended by up to 12 (twelve) months and the relevant penalty provisions of the Contract shall be applied. If the construction cannot be completed within 12 (twelve) months, the Ministry shall terminate the Contract and record the guarantee as revenue.

4.9. If the Auction Winner wants to change the corner coordinates of the borders of power plant area specified in the Preliminary License and/or License documents, a report laying down the justification for the requested change and an information form prepared in compliance with the principles of “Regulation on Technical Evaluation of Applications for Electricity Generation Based on Wind Power”, published in the Official Gazette no. 29508 dated October 20, 2015 shall be submitted to the Directorate General. The Directorate General shall evaluate the request for change, and if it deems it acceptable, shall correct the relevant REZ information announced in the Official Gazette and report such changes to EMRA for the modification of related Preliminary License and/or License documents.

5. TECHNICAL PROPERTIES OF WPP

5.1. All of the Wind Turbines to be installed under the Contract shall be procured and/or manufactured to have the specifications set out in the Regulation on the design of Electrical Installations, published in the Repeated Issue of Official Gazette no. 29221 dated December 30, 2014 Regulation on the Acceptance of Electricity Generation and Electricity Storage Facilities, published in the Official Gazette no. 31044 dated February 19, 2020 and the Electricity Grid Code published in the Repeated Issue of Official Gazette no. 29013 dated May 28, 2014.

5.2. The requirements about domestic equipment stipulated in Annex-2, shall be met for all Wind Turbines to be installed in Renewable energy Zones.

5.3. Each of the Wind Turbine models must have valid type certificates approved by accredited bodies. This certificate shall be submitted to the chairperson of acceptance commission set up by the Ministry and/or organizations authorized by the Ministry, during the acceptance procedures of the WPP, and a copy of it shall be sent to the Directorate General.

5.4. Non-standard materials cannot be used in WPPs. The priority order of standards has been determined as Turkish Standards or European Union (EU) Standards, or relevant international standards if such standards are not available. Materials that comply with these standards and are certified by accredited organizations (through type certificate, product certificate and unit verification certificate) shall be used in the WPP.

For materials lacking Turkish, EU and international standards, the certificates issued according to standards of other countries or the declarations that their technical properties are compliant, have to be verified by Turkish Standards Institute (TSE).

5.5. Wind Turbines must comply with the relevant standard(s), including but not limited to the standards specified below.

- IEC 61400-22 Wind Turbines – Part 22: Conformity testing and certification for wind turbines
- IEC 61400-1 Wind Turbines – Part 1: Design requirements for wind turbines

5.6. Wind Turbines must be "CE" marked, demonstrating that they have undergone all conformity evaluation procedures specified in the relevant technical regulations and are healthy and safe for humans, animals and the environment.

5.7. All components/equipment to be used in the WPP must be brand new and unused, and must bear information such as marks, texts, numbers, etc. indicating the brand, model and manufacturing date.

6. PROVISIONS ABOUT DOMESTIC CONTENT

6.1. Wind Turbines shall be manufactured in and/or supplied from factories established in Türkiye (including free zones), satisfying the required minimum domestic content rates.

6.2. Each Component to be selected from the list of Components provided in Annex-2, which will be used in the manufacturing of Wind Turbines, shall satisfy the related minimum domestic content rate. If such fact is certified, the related Component shall be entitled to receive full domestic content score for the related component. No domestic content score can be received for Components which fail to satisfy the domestic content rate. Wind Turbine domestic content rate is the sum of the domestic content scores of the components used in its production, including those listed in Annex 2. The total domestic content score received for the components to be installed in the REZ shall be at least **55 (fifty-five)**.

In calculating the domestic content rate of the Wind Turbine, the number in the domestic contribution rate specified in the Component's Domestic Goods Certificate shall be expressed with decimal fraction (single digit), and where there is decimal fraction, it shall be interpreted by rounding up to the next higher integer for decimal numbers of 5 (five) and more.

6.3. The Domestic Goods Certificates and supply contracts for each of the Components listed in Annex-2 and representing a minimum domestic content score of **55 (fifty-five)** shall be submitted to the Directorate General before License application. Any change in the information included in the supply contract shall be notified to the Directorate General. If the domestic content rates required for the components under the Specifications are found to be met, as a result of the inspections to be conducted, a declaration shall be sent to EMRA for issuance of a License. If the documents evidencing that the domestic content rates required under the Specifications are met are not submitted within the duration of the Preliminary License, the relevant penalty provisions of the Contract shall be applied. The Directorate General shall carry out inspections and controls regarding the domestic content requirement until all WPPs are put into operation. No inspections or controls regarding the domestic content requirement shall be carried out during the operation phase.

6.4. In relation to the domestic content, no extension of time or price increase shall be allowed, due to delays in component supply times and other similar cases, without prejudice to rights under force majeure conditions.

6.5. If a component cannot be manufactured with the required domestic content rate and it becomes clear that they cannot be supplied from other domestic sources, due to miscellaneous factors affecting production (e.g. strike, lockout, bankruptcy, difficulty of performance, etc.), such fact shall be declared to the Directorate General for evaluation, by submitting the relevant evidential information and documents. If such negative condition is identified and the justifications are found acceptable by the Directorate General, the import of such Components or supply of their equivalents shall be permitted.

6.6. Without prejudice to the provisions of the Specifications, if it is determined during the acceptance stages that Components with Domestic Goods Certificate, demonstrating the use of required minimum domestic content rates, the Auction Winner shall be warned in writing to use Components with Domestic Goods Certificate in compliance with the Specifications. If such negative condition is not eliminated within the periods of time specified in the letter of warning, the Contract shall be terminated and the guarantee shall be recorded as revenue. A notice shall be sent to EMRA for the cancellation of related License. All rights granted under the Contract in relation to the REZ shall automatically expire.

6.7. The domestic manufacture status of the Component of Wind Turbine may be ascertained through review of the capacity report and industrial registry certificate of the plants of local manufacturers that carry out their production as well as through on-site inspections.

7. OTHER PROVISIONS ABOUT WPP

7.1. Provisions of Electricity Market Licensing Regulation and applicable legislation shall apply to the construction/installation and operation of the WPP. The license duration for each WPP to be installed within the scope of the Contract shall be **49 (forty-nine)** years.

7.2. It is the responsibility of Auction Winner to make the REZ ready for investment, to conduct all necessary measurements, technical and economic studies and feasibility studies for this purpose, to obtain all necessary approvals, permits, licenses, etc., to cover all necessary expenses and to complete other actions and procedures within the specified deadlines.

7.3. The Auction Winner cannot claim any damage, loss or whatsoever due to delays in obtaining all approvals, permits, licenses, etc. and in completing other necessary actions and procedures.

7.4. The WPP shall be connected to the electricity transmission system in the manner specified in the applicable legislation and safety of lives/properties shall be assured. For this purpose, the relevant designs of the WPP to be installed shall be prepared in accordance with the legislation, approved by the Ministry and/or institutions or bodies authorized by the Ministry, and shall be put into operation in accordance with the principles of the Regulation on the Acceptance of Electricity Generation and Electricity Storage Facilities, published in the Official Gazette no. 31044 dated February 19, 2020.

7.5. It is the responsibility of Auction Winner to take all safety measures to protect lives, properties and the environment, and to file necessary applications for permit with the related authorities. The Auction Winner shall be responsible for taking all kinds of occupational health and safety measures and environmental measures within the framework of all its direct and indirect activities, including any damages that may be suffered by third parties. The Auction Winner cannot recourse to the Ministry any damage that may occur under any name and for whatever reason.

7.6. The recycling and disposal of Components which were installed in the REZ and have completed their lifespan, shall be ensured by the Auction Winner in accordance with the relevant Turkish legislation in force.

7.7. If requested by the Ministry, all of the components used in the parts of the WPP that remain within the boundaries of public and Treasury-owned properties shall be removed from the site and the site shall be cleaned within the scope of the relevant legislation in force, within **12 (twelve)** months following the end of the License period, at the latest.

8. PRICE AND FINANCIAL PROVISIONS

8.1. Electricity Purchase Ceiling/Floor Prices

8.1.1. The unit electricity purchase ceiling price per kilowatt-hour has is **5,50 US-cent/kWh, and the floor price is 3,50 US-cent/kWh.** The unit purchase price per kilowatt-hour (financial bid) quoted in the sealed financial bid envelope shall be expressed with two decimal digits, and prices cannot be quoted above the ceiling price or below the floor price.

8.1.2. Bidders shall assume, as a prudent merchant, all commercial risk associated with the quoted unit electrical energy price per kilowatt-hour.

8.1.3. Beginning from the end of the Open Market Sale Period, the amounts included in the transmission tariff paid to TEİAŞ shall be paid to the Auction Winner under YEKDEM for **20 (twenty)** years.

8.2. Electrical Energy Purchase Period, Payment and Conditions

8.2.1. The “economically most advantage bid” quoted by the legal entity that is awarded contract as a result of the Auction shall be indicated as “**unit electrical energy purchase price**” in the Contract signed.

Until the end of the open Market Sale Period, the electricity generated shall be traded in the open market. If the Market Clearing Price falls below 4.95 US-cent/kWh in the related settlement period, the electrical energy purchase price shall be applied as 4.95 US-cent/kWh, taking as a basis the foreign exchange buying rate of Central Bank of Republic of Türkiye as of the date when the energy is supplied to the system. The amounts formed shall be used in YEKDEM calculations by the market operator. In case of an extension of time granted within the scope of the Regulation, Specifications and Contract, the additional time granted shall not be added to the Open Market Sale Period. The “unit electrical energy purchase price” specified in the Contract shall be applied for the electrical energy generated for **20 (twenty) years** after the end of the Open Market Sale Period.

8.2.2. Domestic product subsidy provided within the scope of Law No. 5346 shall not be applicable. Price increases shall not be allowed for any reason. No extension of time shall be granted except for the reasons specified in the Contract. The Auction Winner cannot benefit from any other payment system under any other name and title other than this payment system and cannot claim any additional payment under any name. REZ projects can benefit from other discounts and incentives applied within the scope of the relevant legislation. Revenues from carbon certificate and renewable energy resource guarantee certificate relating to the Work are outside the scope of the Contract.

8.2.3. Auction Winner may install electricity storage unit integrated with the WPP, for the purposes of storing the electricity generated by the WPP, within power plant site of WPP and at the same metering point, on the condition that it does not exceed the installed power capacity specified in the License. Beginning from the Contract signing date, no electrical energy other than that to be generated by the WPP to be installed can be stored in the storage unit, including from the grid, throughout the Open Market Sale Period. The electrical energy stored shall be regarded in the context of Article Madde 8.2.1.

8.2.4. The Ministry undertakes that the electrical energy to be generated by the WPP will be regarded under YEKDEM throughout the Purchase Period and that its price will be paid in accordance with the provisions of the Regulation and Specifications. The Ministry shall send the necessary notice to EPIAŞ for the signing of market participation contract.

8.2.5. The Ministry undertakes that the payments for the electrical energy to be generated by the WPP will be made in compliance with the provisions of the Regulation and Specifications in case of any change in YEKDEM mechanism.

8.3. Letter of Guarantee

8.3.1. Bidders shall include in their application file an out-of-limit, definite, fully or partially cashable letter of guarantee in the amount of **20.000 (twentythousand) USD** per unit installed power in megawatt terms, with a duration of **1 (one) year**, for each Auction applied for, which must be issued by banks established in Türkiye in accordance with Banking Law No. or by foreign banks permitted to operate in Türkiye in accordance with the applicable legislation or banks operating in Türkiye based on a counter-guarantee issued by banks or similar credit institutions operating outside Türkiye, as well as the certificate of registry and authorization declaration of the persons approving the letter of guarantee. The letter of guarantee shall be prepared in the name of the Bidder (Annex-5/Form-1).

8.3.2. Auction Winner shall, at the latest by **1 (one)** day before Contract signing date, submit to the Ministry with an out-of-limit, definite, fully or partially cashable letter of guarantee in the amount of **50.000 (fiftythousand) USD** per unit installed power in megawatt terms, with a duration of **10 (ten) years**, using the letter of guarantee format provided in Annex-5/Form-2 by inserting the relevant information and not making any further change, along with the certificate of registry and authorization declaration of the persons approving the letter of guarantee, and a letter of guarantee confirmation letter (Annex-5/Form-3). In this case, the letter of guarantee submitted at the application stage under Article 8.3.1 shall be returned.

8.3.3. The name and surname of officials who sign the letter of guarantee shall be written in full and clearly, without using any abbreviation.

8.3.4. Multiple letters of guarantee may be submitted, provided that the conditions specified in Articles 8.3.1 and 8.3.2 of the Specifications are satisfied.

8.3.5. In case a letter of guarantee is partially recorded as revenue for any reason, the Auction Winner shall be obliged to complete the incomplete guarantee amount up to the current guarantee amount within **1 (one)** month at the latest. If the guarantee is not completed, the sanctions specified in the Contract shall be applied.

8.3.6. If the WPP is fully put into operation in accordance with the Contract and its annexes, the remaining amount of guarantee shall be returned to the Auction Winner within **2 (two)** months from the final acceptance date, taking into account penal conditions as applicable.

9. OBLIGATIONS OF PARTIES

9.1. Obligations of Auction Winner

Other responsibilities and obligations of the Auction Winner, are set out below, without any limitation:

- 1) immediately provide any information and document that may be requested by the Directorate General,
- 2) conduct all surveys/feasibility studies needed to make REZ ready for investment, complete all necessary approvals, permits, licenses, etc. in due time in order to install WPP in these zones in accordance with the relevant legislation, and make all necessary expenditures for this purpose,
- 3) produce all kinds of data and information that may be needed within the scope of project development and investment preparation activities, conduct analyses and verify the quality and reliability of data,
- 4) complete all kinds of actions and procedures that may be requested by institutions and organizations regarding the permit processes such as WPP development, Preliminary License, License, Environmental Impact Assessment, etc. within the scope of the current legislation on time and make all necessary expenditures for this purpose,
- 5) ensure the traceability of relevant processes during the construction/installation and operation stages of the WPP, provide the Directorate General with the necessary information and documents, allow inspections and site visits to be carried out within the scope of the Work,
- 6) comply with the relevant legislation at every stage of the activities during the construction/installation and operation stages of the WPP,
- 7) carry out the necessary activities in coordination with the Directorate General within the specified timelines,
- 8) supply electrical energy to the electricity transmission system within the scope of the License, as specified in the Specifications,
- 9) notify the Directorate General of any modifications made to the Preliminary License/License,
- 10) carry out all actions and procedures relating to the Work which are not designated to the Ministry or the Directorate General in the Auction documents,
- 11) take out third party financial liability insurance policies,
- 12) take out required insurance policies under the relevant legislation,
- 13) carry out the necessary periodic, predictive and preventive maintenance and repair activities on time, keep the components of the WPP available and in working condition,
- 14) establish communication and SCADA systems that enable the simultaneous measurement and monitoring of parameter values relating to the performance of the WPP, record and visually present these values, and report failures to the related parties,

- 15) have all kinds of Components and equipment that are not mentioned in the Specifications, but are required in terms of the techniques of Work, functional operation of the WPP and smooth operation of the facility, and carry out all the necessary work and cover related expenses,
- 16) provide written information to the Directorate General regarding correspondence with relevant institutions and/or organizations within the scope of the work carried out to make the REZ ready for investment after the Contract is signed.

9.2. Obligations of the Ministry

- 1) The Ministry shall act in good faith with the Auction Winner to make the REZ ready for WPP investment and ensure that all permits and approvals required to be obtained from public institutions and organizations in accordance with the relevant legislation are obtained within the required timelines for the establishment of the WPP in this area.
- 2) The Ministry shall provide the coordination that may be needed regarding the energy transmission facilities and transmission lines to be installed in accordance with the relevant legislation,
- 3) The Ministry shall take necessary measures to prevent the adoption of zoning plans that affect the use and efficiency of REZ,
- 4) The Ministry may carry out urgent expropriation processes in accordance with the related legislation, for the areas that need to be expropriated for switchyards and energy transmission lines.

10. OTHER PROVISIONS

- 1) The Preliminary License duration for WPPs shall be maximum **24 (twentyfour)** months and construction duration shall be maximum **36 (thirtysix)** months from the date the License is obtained.
- 2) REZ cannot be used for any other purpose.
- 3) It is the Auction Winner's responsibility to obtain all usage rights concerning REZs and to cover the costs associated with obtaining these rights.
- 4) No electrical capacity increase shall be allowed for the WPP throughout the Contract duration.
- 5) Investments in energy transmission facilities and transmission lines required up to the connection point of the WPP which will be determined by the relevant grid operator shall be made within the scope of the Electricity Market Law No. 6446.
- 6) WPP shall be operated subject to the provisions of Electricity Market Law No. 6446 and secondary legislation.

- 7) Throughout the duration of Contract, electrical energy cannot be generated using any other energy resource than wind at the WPP.
- 8) The EIA-Positive Certificates received for the projects listed in Annex-1 shall be transferred to the Auction Winner.

REZ WPP-2024**RENEWABLE ENERGY ZONES AND CONNECTION CAPACITIES TO BE ALLOCATED**

LINE NO	REZ Name/ Auction Name	CONNECTION CAPACITY (MWe)
1	R24-Edirne WPP	410
2	R24-Balkaya WPP	340
3	R24-Sergen WPP	200
4	R24-Yellice WPP	160
5	R24-Gurun WPP	90

Corner coordinates of areas to be allocated in Renewable Energy Zones are provided in Annex-6

TABLE OF DOMESTIC CONTRIBUTION RATES

(FACILITY COMPONENTS, NAMES OF COMPONENTS WITH DOMESTIC GOOD CERTIFICATE, MINIMUM DOMESTIC CONTRIBUTION RATES)

FACILITY COMPONENT	COMPONENT	SCORE FOR DOMESTIC COMPONENT	COMPONENT'S MINIMUM DOMESTIC CONTENT RATE (%)
TOWER	1. Turbine tower	17	65
	2. Mechanical tower interior components	4	51
	3. Tower fittings	1	70
ROTOR	1. Rotor blade	19.5	65
	2. Rotor hub	2.3	51
	3. Rotor blade bearings	1	51
	4. main or fixed shaft	2	51
	5. Rotor orientation system (Pitch system)	4.5	51
NACELLE	1. Nacelle and hub outer cabins	2	51
	2. Frame structures in the nacelle (chassis)	3	51
	3. Rotary table gear between "Nacelle-Tower"	1	51
	4. Nacelle orientation system (Yaw system)	3	51
	5. Main shaft bearing and main shaft bed	1.7	51
	6. Cooling system	1	51
	7. Brake system	1.2	51
	8. Hydraulic system	1.3	51
ELECTROMECHANICAL POWER TRANSFORMATION SYSTEMS	A.1. Gear box	15	51
	A.2. Gear box turbine generator	5	51
	B. Direct drive turbine generator	20	51
POWER SYSTEMS	1. Turbine transformer	1.5	51
	2. Power transformer	3	51
	3. Electronic power control unit	3	51
OTHER	1. Aviation beacon system	0.5	51
	2. Speed, direction, temperature, pressure, humidity sensors	0.5	51
	3. Internal nacelle crane	0.5	51
	4. Auxiliary castings and fittings	0.5	51
	5. Lubrication system	1	51
	6. Grounding / lightning system	0.5	51
	7. Data monitoring, Acquisition, Control Systems	3	51
	8. Other	0.5	51

LETTER OF APPLICATION

**TO: MINISTRY OF ENERGY AND NATURAL RESOURCES OF REPUBLIC OF
TÜRKİYE**

We would like to participate in the below mentioned Auctions within the framework of the notice published by the Ministry of Energy and Natural Resources of Republic of Türkiye in the Official Gazette No. 32706 dated 28/10/2024 and subsequently generate electricity from Wind Power Plant in the renewable energy zone (REZ) if we are awarded contract as a result of any of these Auctions. We have completely read, understood and hereby agree to the Draft REZ Use of Right Contract and the Specifications (including any addendum thereto). In this context, the “Documents Required for Application for Auction” we have prepared are presented in the attachment hereby.

We agree, represent and undertake that the information contained in the documents submitted under our application are correct and that, if we are awarded a contract as a result of any of the Auctions listed below, we will sell the electrical energy we will generate under the Contract at the prices to be determined periodically in accordance with the provisions of the Specifications and Contract, throughout the Purchase Period.

Authorized Representative’s

Name-Surname

Signature

Seal

Date

Information About Auctions Applied For:

Line No	Name of Auction	Connection Capacity (MWe)
1		
2		
3		
4		

Bidder’s*:

Trade Name:

Province registered in Chamber of Commerce and/or Industry:

Tax ID No.:

Official Notification Address:

Contact Details (phone, fax, e-mail, registered electronic mail suitable for notification (KEP) addresses, etc.):

Authorized Representative’s:

Authorization Period Start Date:

Authorization Period End Date:

ATTACHMENT: Documents Required for Application for Auction

* Foreign companies will provide information available under their home country legislation.

ANNEX-4

FINANCIAL BID

**TO: MINISTRY OF ENERGY AND NATURAL RESOURCES OF REPUBLIC OF
TÜRKİYE**

We hereby agree, represent and undertake that we have quoted the price of
..... (in numbers and letters) US-Cent/kWh
for the “.....**Auction***” within
the framework of the notice published by the Ministry of Energy and Natural Resources of
Republic of Türkiye in the Official Gazette No. 32706 dated 28/10/2024.

Authorized Representative's

Name-Surname

Signature

(*) “Name of Auction” applied for will be written from the list in Annex-1.

SAMPLE LETTER OF GUARANTEE

Date :
No :

LETTER OF GUARANTEE
TO: MINISTRY OF ENERGY AND NATURAL RESOURCES OF REPUBLIC OF TÜRKİYE

As our Bank has provided a guarantee of (*in letters*) USD in favor of Ministry of Energy and Natural Resources of Republic of Türkiye, in response to the request of(Bidder) who has applied for “..... **Auction**” within the framework of the notice published by the Ministry of Energy and Natural Resources of Republic of Türkiye in the Official Gazette No. 32706 dated 28/10/2024, we hereby irrevocably agree, represent and undertake, in the name and account of the Bank, as the authorized and responsible signing officials of the Bank, to pay the amount written above to the Ministry, upon receipt by us of your first demand in writing, in cash and without any delay, in full or partially, together with default interest to accrue between the date of request and date of payment, unconditionally and without need for filing a protest, enforcing a provision or receiving permission from the Bidder, regardless of any dispute that may arise between the Bidder and Ministry and its outcome and legal consequences, if the Ministry decides that any condition requiring the foreclosure of the guarantee has occurred as stipulated in the Electricity Market Law No. 6446, Regulation on Renewable Energy Zones, the Specification on the Allocation of Wind-Based Renewable Energy Zones and Connection Capacities and/or the Draft Contract for the Allocation of Wind-Based Renewable Energy Zones and Connection Capacities to be signed.

This letter of guarantee is fully or partially cashable, definite, out-of-limit and has a duration of **1 (one)** year from its date of issuance.

Names, titles and signatures of Bank officials

SAMPLE LETTER OF GUARANTEE

Date :

No :

LETTER OF GUARANTEE

TO: MINISTRY OF ENERGY AND NATURAL RESOURCES OF REPUBLIC OF TÜRKİYE

As our Bank has provided a guarantee of (in letters) USD in favor of Ministry of Energy and Natural Resources of Republic of Türkiye, in response to the request of(Auction Winner) who has been awarded Contract under “..... **Auction**” within the framework of the notice published by the Ministry of Energy and Natural Resources of Republic of Türkiye in the Official Gazette No. 32706 dated 28/10/2024, we hereby irrevocably agree, represent and undertake, in the name and account of the Bank, as the authorized and responsible signing officials of the Bank, to pay the amount written above to the Ministry, upon receipt by us of your first demand in writing, in cash and without any delay, in full or partially, together with default interest to accrue between the date of request and date of payment, unconditionally and without need for filing a protest, enforcing a provision or receiving permission from the Auction Winner, regardless of any dispute that may arise between the Auction Winner and Ministry and its outcome and legal consequences, if the Ministry decides that any condition requiring the foreclosure of the guarantee has occurred as stipulated in the Electricity Market Law No. 6446, Regulation on Renewable Energy Zones, the Specification on the Allocation of Wind-Based Renewable Energy Zones and Connection Capacities and/or the Contract for the Allocation of Wind-Based Renewable Energy Zones and Connection Capacities signed.

This letter of guarantee is fully or partially cashable, definite, out-of-limit and has a duration of **10 (ten)** years from (*Contract Signing Date*).

Names, titles and signatures of Bank officials

LETTER OF GUARANTEE CONFIRMATION LETTER

**TO: MINISTRY OF ENERGY AND NATURAL RESOURCES OF REPUBLIC OF
TÜRKİYE**

Date:

Reference No:

We hereby **CONFIRM** that the Branch of our Bank has issued a definite letter of guarantee dated .../... / 20... in the name of our client, in favor of Ministry of Energy and Natural Resources of Republic of Türkiye as the beneficiary, in the amount of (*in letters*) USD with a duration **10 (ten)** years, with reference no., serial no. (if any) and form no., and that the letter of guarantee has been signed by officials authorized to represent and bind our Bank.

Full Name of Bank
GENERAL DIRECTORATE

Authorized Signature 1

Authorized Signature 2