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DRAFT SPECIFICATIONS FOR THE ALLOCATION OF OFFSHORE WIND-BASED RENEWABLE ENERGY ZONES AND CONNECTION CAPACITY (YEKA OWPP-2026 DRAFT 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 the Connection Capacity and the right to use the related Renewable Energy Zones (YEKA) designated for the installation of an offshore wind power plant (OWPP) with total capacity of **1,000 MWe (one thousand MWe)**, within the scope of the Auction Notice published in the Official Gazette dated .../.../... and numbered 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 accordance with the provisions of the Regulation, these Specifications and the Contract. The scope of these Specifications is as follows:

- Carrying out Project development activities by conducting the required meteorological and oceanographic measurements, seabed investigations, analyses, technical and economic feasibility studies and preparing the area designated within the YEKA for investment;
- Specifying technical properties of the Components to be used within the YEKA;
- Obtaining required permits and installing the OWPP within the YEKA;
- Generating electrical energy at the OWPP to be installed within the YEKA and selling such electricity;
- Defining other technical and administrative conditions concerning generation and operation;
- Identification of the scope, principles, procedures, technical and administrative conditions of the Auction, the qualifications required for Bidders and provisions governing other relevant matters.

2. DEFINITIONS AND ACRONYMS

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 and structures that form the main parts to be used in the OWPP, as specified in Annex-1;
2. **Purchase Period** means the **27 (twenty-seven)-year** period commencing from the Contract signing date;

3. **Grid Connection Capacity** means the total electricity capacity allocated through the Auction in terms of megawatt (MW);
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. **Works** means all rights and obligations concerning the construction/installation and operation, for the defined periods, of the OWPP in compliance with the Auction documents and the applicable legislation;
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. **Final Purchase Price** means the price corresponding to the capacity factor calculated by taking the average of the capacity factor values for 4 (four) years from the initial commissioning,
11. **Pre-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 OWPP investments in compliance with the Electricity Market Law No. 6446 and the applicable legislation;
12. **OWPP** means the Offshore Wind Power Plant installed and operated within YEKA;
13. **Wind Turbine** means the unit that converts offshore wind energy to electrical energy;
14. **Contract** means the "Renewable Energy Zone (YEKA OWPP-2026) Contract" signed between the Ministry and the Auction Winner;
15. **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;
16. **Auction** means YEKA 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. dated,
17. **Bidder** means the legal entity or joint venture invited to participate in the Auction in accordance with the Regulation and Specifications;
18. **Auction Winner** means the legal entity who signs the Contract and commits and undertakes to execute the Works subject to the Auction;
19. **YEKDEM Regulation** means the Regulation on Certification and Support of Renewable Energy Resources published in the Official Gazette No. 28782 dated October 01, 2013;
20. **Renewable Energy Zone (YEKA)** means the wind-based renewable energy zones announced as YEKA in the Official Gazette and given in Annex-7,
21. **Domestic Goods Certificate** means the certificate issued within the scope of the Communiqué on Domestic Goods (SGM-2024/10), demonstrating the domestic contribution rate of a Component indicated in the Specifications;

22. **Authorized Representative** means the person or persons authorized to represent and bind the Bidder;
23. **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 these Specifications, an Auction shall be held for the allocation of totally **1.000 (onethousand) MWe** Connection Capacity of offshore wind power plant.

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-2);
2. Sealed Financial Bid Envelope (Annex-3);
3. A receipt or account abstract evidencing payment of **TRY 200,000 (Two Hundred 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, (this fee is non-refundable under any circumstances)
4. Letter of Guarantee (Annex-4): prepared according to 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, except where the applicant is a foreign company;

8. If the applicant or one of the members of a joint venture 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
9. In the event of an application submitted as a joint venture, the joint venture agreement and partnership structure documentation;
10. In the event of an application submitted as a joint venture, the documents requested under items sixth and seventh of this article prepared separately for each individual member of the joint venture.

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 the Specifications.

3.1.3. Bidders shall prepare the documents to be prepared for the application for the Auction 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 for notification purposes, contact details, tax office name, and tax identification number shall be written on the outer envelope/package. The flap of the outer envelope/package shall be stamped/sealed across and signed by the Authorized Representative.
2. Financial bid shall be inserted in a sealed inner envelope. The sealed inner envelope containing financial bid shall bear the full mailing address of the applicant for notification purposes. 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. The receipts/account extracts, letters of guarantee and financial bid envelopes, and other documents prepared in single copy can be submitted within the same application file.

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)** working 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) working 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) working days**.

3.2. Structure of the Bidder

3.2.1. Legal entities established as a joint-stock company or a limited liability company under the Turkish Commercial Code, joint ventures, 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 under the Turkish Commercial Code, with the same shareholding structure or as a wholly owned company, latest by the Contract signing date.

3.2.3. If a joint venture wins the Auction, the joint venture shall complete the incorporation process of a legal entity under the Turkish Commercial Code (either as a joint-stock or limited liability company) with the exact same partnership structure declared during the application phase, at the 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 to participate in the Auction.

3.3.2. Depending on the completion date of detailed document review, the venue, date and time of Auction 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 **11.00 USD-cent/kWh**, and the floor price as **7.00 USD-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 if 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 **USD 10.000.000 (Ten Million US Dollars)**, which will be followed by an auction for contribution fee. The auction will be concluded when the highest bid for contribution fee 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 fee bids quoted by the Authorized Representative shall become binding and valid, without being subject to any signature requirement.

3.3.6. The proposed unit price and contribution fee amount are exclusive of Value Added Tax.

3.3.7. If any contribution fee amount arises as a result of the auction, the Bidder shall submit a **10 (ten)-year**, definite, out-of-limit, fully and partially cashable letter of guarantee matching the exact contribution fee amount to the Ministry at least **1 (one)** day before the Contract signing date, using the format provided in Annex-6 without any structural modification. The certificate of registry, authorization declarations of the signees, and a bank general directorate confirmation letter must accompany the guarantee.

The total contribution fee amount shall be paid to EPİAŞ by the end of the 4th year from the Contract signing date, based on the foreign exchange selling rate of the Central Bank of the Republic of Türkiye effective on the date of payment. The amount paid shall be utilized by EPİAŞ within the scope of YEKDEM in equal monthly instalments over a 1-year period. Following submission of the payment receipt to the Directorate General, the contribution fee letter of guarantee shall be returned.

3.3.8. In cases where the Regulation and Specifications do 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.

3.3.9. The Ministry may postpone, suspend or cancel the Auction, 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 of **30 (thirty) days** from the date when the letter of invitation is notified. When the Contract is signed with the first ranked bidder, 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. The most appropriate second and third bidders will have their letters of guarantee returned if no invitation is sent to them.

3.4.2. The contribution fee paid as a result of the Auction shall not be refunded except in cases of force majeure.

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, meteorological and oceanographic measurements, seabed surveys, the project development, procurement, construction/installation, commissioning, etc. stages of the OWPP 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 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 Auction Winner shall perform meteorological and oceanographic measurements within the area whose coordinates are detailed in the annexes. Technical specifications of the offshore and onshore measurement points and stations must be submitted to the Directorate General. Under the coordination and approval of the Directorate General, and upon securing the necessary institutional permits, measurements shall commence within **1 (one) year at the latest** from the Contract signing date. Measurements must span a consecutive period of **at least 12 (twelve) months**, excluding unpreventable technical interruptions. If measurements fail to commence or are completed in a duration less than 12 months, the Contract shall be terminated, and both the letters of guarantee and any contribution fee guarantees shall be recorded as revenue.

4.3. Measurement data shall be submitted to the Directorate General in the format and at the intervals deemed appropriate by the Directorate General. Following completion of the measurements, the Auction Winner shall submit the certified measurement results and the feasibility report to be prepared by accredited organizations to the Directorate General. If the capacity factor is determined to be **below 40%** following completion of the measurements, the Auction Winner may, by submitting a justification report, waive its rights arising from the Contract and request termination of the Contract. In such case, the Directorate General shall return the letter of guarantee and, if applicable, the letter of guarantee corresponding to the contribution fee amount, and shall terminate the Contract. The Auction Winner shall not be entitled to make any claim against the Directorate General, the Ministry or any public authority for damages, losses, compensation or under any similar title arising out of or in connection with such termination.

4.4. Geophysical and geotechnical seabed investigations shall commence **within 2 (two) years at the latest** from the Contract signing date. Following seabed investigations, the Auction Winner may submit a justification report alongside a feasibility report prepared by the accredited body to request either a modification of the capacity down to limit of **50% (fifty percent)** or the total termination of the Contract by waiving its contractual rights. In case of capacity modification, any part of the contribution fee shall not be refunded. If termination is approved under this clause, the Directorate General shall return the letters of guarantee (including contribution fee guarantees, if any) and terminate the Contract. The Auction Winner cannot claim any damage, indemnification, or loss under any title due to such termination.

4.5. The right to request a termination of the Contract granted to the Auction Winner within the scope of Articles 4.3 and 4.4 may only be exercised within the **first 4 (four) years** following the Contract signing date.

4.6. The notice regarding the allocation of the pre-license to the Auction Winner shall be transmitted directly to EMRA by the Directorate General.

4.7. The legal entity declared to EMRA for issuance of pre-license shall apply for pre-license within **15 (fifteen) working days** from the date of notice, for the whole Connection Capacity

declared by the Directorate General to EMRA. The legal entity that is entitled to apply for pre-license must satisfy the conditions required for legal entities applying for pre-license, as stipulated in the Electricity Market Licensing Regulation, published in the Official Gazette no. 28809 dated November 2, 2013

4.8. EMRA shall issue a pre-license to the legal entity that has applied for pre-license, in compliance with the principles of Electricity Market Licensing Regulation.

4.9. Without prejudice to the provisions of the Specifications and Contract regarding extension of time, if an application for pre-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 YEKA Contract and record the guarantee as revenue.

4.10. 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 completed within the time given under Electricity Market Licensing Regulation and the pre-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 YEKA Contract and record the guarantee as revenue

4.11. 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 pre-license for the license application. Within **15 (fifteen) days** from the date of notification of letter of compliance, legal entity holding pre-license shall apply for License. If the license application is not submitted in due time, the YEKA Contract shall be terminated and the guarantee shall be recorded as revenue.

4.12. In the event that the capacity specified in the License cannot be completed within the standard construction period, the construction timeframe may be extended by up to **12 (twelve) months** upon the request of the Auction Winner, subject to the application of the contractual penalties. If construction is not finalized within the 12-month extension, the Ministry shall terminate the Contract and record the guarantee as revenue.

4.13. If the Auction Winner wants to change the corner coordinates of the borders of power plant area, a report laying down the justification for the requested change 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 YEKA information announced in the Official Gazette.

5. TECHNICAL PROPERTIES OF THE OWPP

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. Wind Turbines must conform to the following international standards, their recognized equivalents, or more recent updated versions:

- IEC 61400-1 Design requirements for wind turbines
- IEC 61400-3 Design requirements for offshore wind turbines
- IEC 61400-22 Conformity testing and certification for wind turbines

5.3. 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

5.4. All components/equipment to be used in the OWPP 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. A domestic content rate requirement of **25% (twenty-five percent)** of the total investment cost ("CAPEX"), excluding taxes, duties, fees, and similar statutory obligations, as well as the contribution fee, shall apply. If the local content ratio falls below **25% (twenty-five percent)** of the CAPEX, a penalty of **5 million USD** will be applied for each **1% (one percent)** shortfall.

6.2. In OWPP, provided that a minimum local content ratio of 25% (twenty-five percent) of the total investment cost is achieved, if any component listed in the table in Annex-1 have Domestic Goods Certificate, the specified amount will be added to the Final Purchase Price for the first 5 (five) years after starting of the Final Purchase Price period. If any component in the table is not used entirely local in terms of quantity, the amount calculated based on the ratio of the quantity of domestically produced components to the total quantity of relevant components used in OWPP will be applied.

6.3. No additional domestic product subsidy shall be provided under Law No. 5346.

6.4. The Domestic Goods Certificates and procurement agreements for each Component to be utilized in the OWPP shall be submitted to the Directorate General.

6.5. Waybills and invoices for the Components qualifying as local content shall be submitted to the Directorate General prior to the acceptance stage

6.6. The Auction Winner shall notify the Directorate General of any modifications made to the documents submitted during this process and undertake to ensure the submission of any and all information and documentation that the Directorate General may request from the supplier.

6.7. The reporting of domestic content within the OWPP shall be executed by a third-party oversight firm. If goods and services to be made under the OWPP are supplied by companies established in accordance with the Turkish Commercial Code, aforementioned expenditures will be taken into account in the minimum domestic content calculation. No controls regarding the domestic content requirement shall be conducted during the operation phase.

7. OTHER PROVISIONS ABOUT THE OWPP

7.1. The construction, installation, and operation of the OWPP shall be governed by the provisions of the Electricity Market Licensing Regulation and the relevant legislation. The license duration for OWPP to be installed within the scope of the Contract shall be **49 (forty-nine) years**.

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

7.3. The Auction Winner shall not be entitled to make any claim for damages, losses or compensation under any similar title due to delays in obtaining all approvals, permits, licenses and the like, and in completing any other required actions and procedures.

7.4. The connection of the OWPP to the electricity transmission system in the manners specified in the relevant legislation and the ensuring of life and property safety are essential. For this purpose, the relevant projects of the OWPP to be established shall be prepared in accordance with the legislation, approved by the Ministry and/or institutions or organizations authorized by the Ministry, and 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 the Auction Winner to ensure all kinds of safety measures for life, property, and environmental protection, and to file the necessary permit applications with the relevant authorities. The Auction Winner shall be solely 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 shall have no right of recourse against the Ministry for any damages occurring under any name or for any reason whatsoever.

7.6. The recycling and disposal of the Components installed in the YEKA that 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 OWPP shall be dismantled from the site and the site shall be cleared within the scope of the relevant legislation in force, within **24 (twenty-four) months** at the latest, following the end of the License period.

8. PRICE AND FINANCIAL PROVISIONS

8.1. Electricity Purchase Ceiling/Floor Prices

8.1.1. The unit electricity purchase ceiling price per kilowatt-hour is **11.00 USD-cent/kWh**, and the floor price is **7.00 USD-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 price.

8.1.3. The amounts paid to TEİAŞ within the scope of the transmission tariff in respect of the electrical energy generated at the OWPP (including system usage charges, system operation charges, additional transmission charges and the related VAT) shall be paid to the Auction Winner under YEKDEM for a period of **27 (twenty-seven) years**, regardless of whether the netting mechanism continues to apply.

8.2. Electrical Energy Purchase Period, Payment, and Conditions

8.2.1. The "Economically Most Advantageous Price" offered by the legal entity with whom the Contract is signed at the conclusion of the Auction shall be deemed to have been offered on the basis of a **43%** capacity factor and named as **Contract Price**.

8.2.2. During the **first 4 (four) years** following the first commissioning of the OWPP, the price determined on the basis of updating the Contract Price to the value corresponding to 40% capacity factor, shall apply. However, if the initial acceptance occurs within the first 7 (seven) years from the Contract signing date, the purchase price for the electrical energy generated during the **first 7 (seven) years** from the Contract signing date shall be applied as **12.00 USD-cent/kWh**.

8.2.3. From the end of the 4th (fourth) year following the initial acceptance of the Facility until the end of the Purchase Period, the Final Purchase Price shall apply.

8.2.4. For each one-percentage-point decrease in the capacity factor, the purchase price shall be increased by **2.5% (twopointfive percent)**. However, if the capacity factor falls to 40%, the price determined on the basis of a 40% capacity factor shall apply. If the capacity factor is

43% or above, the Contract Price shall apply. The price multipliers are set out in the table below.

Capacity Factor (%)	40≤	41≤	42≤	43≤
Price Multiplier	1.075	1.050	1.025	1.000

8.2.5. No domestic product subsidy shall be provided under Law No. 5346.

8.2.6. No price increase shall be granted for any reason other than the reasons specified in the Specifications.

8.2.7. No extension of time shall be granted except for the reasons specified in the Contract.

8.2.8. The Auction Winner shall not benefit from any other payment system under any name or title other than this payment system, and shall not claim any additional payment under any name whatsoever.

8.2.9. Other discounts and incentives applied within the scope of the relevant legislation may be utilized.

8.2.10. Revenues from carbon certificates and renewable energy source guarantee certificates relating to the Work shall be outside the scope of the Contract.

8.2.11. The Auction Winner may install an electricity storage unit integrated into the OWPP, provided that it does not exceed the electrical installed capacity specified in the License. Electrical energy from sources other than the OWPP, including the grid, shall not be stored in the storage unit. Stored electrical energy is evaluated under Article 8.2. or as ancillary services.

8.2.12. The Ministry undertakes that the electrical energy to be generated by the OWPP shall be evaluated within the scope of YEKDEM throughout the Purchase Period and that the price thereof shall be paid in accordance with the provisions of the Specifications and the Contract. The Ministry shall send the necessary notice to EPIAŞ for the signing of the market participation agreements.

8.2.13. The Ministry undertakes that the payments for the electrical energy to be generated by the OWPP shall be made in accordance with the provisions of the Specifications and the Contract in the event of any change to the YEKDEM mechanism.

8.2.14. Due to reasons not arising from the license holder, the revenue loss resulting from a reduction in the quantity of electrical energy delivered to the system owing to instructions issued by TEİAŞ shall be calculated on the based on Article 8.2. and shall be paid under the YEKDEM mechanism during the Purchase Period.

8.3. Letter of Guarantee

8.3.1. Bidders shall include in their application file a 1 (one)-year, definite, out-of-limit, and fully or partially cashable letter of guarantee in the amount of **USD 50,000,000 (Fifty Million**

US Dollars), which shall be issued by banks established in Türkiye in accordance with Banking Law No. 5411, or by foreign banks permitted to operate in Türkiye in accordance with the relevant legislation, or by banks operating in Türkiye based on a counter-guarantee issued by banks or similar credit institutions operating outside Türkiye, as well as the trade registry certificates and declarations of authority of those approving the letter of guarantee. The letter of guarantee shall be issued in the name of the Bidder (Annex-4).

8.3.2. The Auction Winner shall submit to the Ministry, no later than **1 (one) day** prior to the Contract signing date, a **10 (ten)-year**, definite, out-of-limit, and fully or partially cashable letter of guarantee issued in the amount of **USD 200,000,000 (Two Hundred Million US Dollars)**, prepared in the format provided in Annex-5 without making any modifications other than filling in the relevant sections, along with the trade registry certificates and declarations of authority of those approving the letter of guarantee, and the guarantee confirmation letter issued by the bank's head office. In this case, the letter of guarantee submitted during the application stage under Article 8.3.1 shall be returned.

8.3.3. The names and surnames of the authorized signatories of the letter of guarantee shall be written clearly in full, without any abbreviations.

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 the event that the letter of guarantee is partially forfeited for any reason, the Auction Winner shall be obliged to replenish the deficient guarantee amount within **1 (one) month** at the latest. If the guarantee is not replenished, the sanctions specified in the Contract shall apply.

8.3.6. In the event that the OWPP is commissioned in its entirety in accordance with the Contract and its annexes, the remaining balance of the guarantee amount shall be returned to the Auction Winner within **2 (two) months** from the date the report regarding locality is submitted to the General Directorate after the final acceptance date, taking into account any contractual penalties, if applicable.

9. OBLIGATIONS OF THE PARTIES

9.1. Obligations of the Auction Winner

The responsibilities and obligations of the Auction Winner include, but are not limited to, the following:

- 1.** Promptly submitting any information and documents that may be requested by the Directorate General;
- 2.** Conducting all surveys and feasibility studies required to make the YEKA ready for investment, obtaining all approvals, permits, licenses and similar authorizations necessary for the installation of the OWPP within such areas in accordance with the

applicable legislation within the prescribed time periods, and making all expenditures required for such purposes;

- 3.** Producing any data and information that may be required within the scope of project development and investment preparation activities, conducting the necessary analyses, and verifying the quality and reliability of such data;
- 4.** Completing in a timely manner, in accordance with the applicable legislation, all actions and procedures that may be requested by the relevant institutions and organizations in relation to permit processes such as OWPP development, pre-license, License, Environmental Impact Assessment and similar processes, and making all expenditures required for such purposes;
- 5.** Ensuring the traceability of the relevant processes during the construction/installation and operation periods of the OWPP, providing the Directorate General with the necessary information and documents, and permitting inspections and site visits within the scope of the Work;
- 6.** Complying with the provisions of the applicable legislation at every stage of the activities carried out during the construction/installation and operation periods of the OWPP;
- 7.** Carrying out the necessary activities in coordination with the Directorate General within the prescribed time periods;
- 8.** Supplying electrical energy to the electricity transmission system within the scope of the License in the manner specified in the Specifications;
- 9.** Notifying the Directorate General of any amendments made to the pre-license and/or License;
- 10.** Performing all actions and procedures relating to the Work that are not assigned to the Ministry or the Directorate General under the Auction Documents;
- 11.** Obtaining third-party financial liability insurance;
- 12.** Obtaining all insurance policies required under the applicable legislation;
- 13.** Performing the necessary periodic, predictive and preventive maintenance and repair activities in a timely manner and keeping the components of the OWPP available and in proper working condition;
- 14.** Establishing communication and SCADA systems capable of simultaneously measuring and monitoring performance parameters of the OWPP, recording and visually presenting such data, and notifying the relevant parties of any failures;

15. Having and maintaining all Components and equipment not expressly referred to in the Specifications but required for the technical requirements of the Work, the functional operation of the OWPP and the establishment of a smooth operation, and carrying out all mandatory works and expenditures in this regard;
16. Providing written information to the Directorate General regarding correspondence conducted with relevant institutions and/or organizations within the scope of the activities carried out to make the YEKA ready for investment following the execution of the Contract.

9.2. Obligations of the Ministry

1. The Ministry shall act in good faith with the Auction Winner in order to ensure that all permit and approval letters required to be obtained from public institutions and organizations under the applicable legislation are obtained within the prescribed time periods for the purpose of making the YEKA ready for OWPP investment and enabling the installation of the OWPP in such area;
2. The Ministry shall provide any coordination that may be required in relation to energy transmission facilities and transmission lines to be constructed in accordance with the applicable legislation;
3. The Ministry shall take the necessary measures to prevent the adoption of zoning plans that may adversely affect the use and efficiency of the YEKA;
4. Urgent expropriation may be carried out, in accordance with the applicable legislation, with respect to areas to be expropriated for switchyards and energy transmission lines.

10. OTHER MATTERS

1. The maximum pre-license duration for the OWPP shall be 36 (thirty-six) months, and the maximum construction duration shall be 36 (thirty-six) months from the date the License is obtained.
2. The YEKA shall not be used for any other purpose.
3. The acquisition of all rights of use concerning the YEKA and the costs associated therewith shall be the responsibility of the Auction Winner.
4. No electrical capacity increase shall be granted for the OWPP throughout the term of the Contract.
5. Investments in the energy transmission facilities and transmission lines required up to the connection point to be determined by the relevant grid operator for the OWPP shall be carried out in accordance with the Electricity Market Law No. 6446.

6. Regarding the reimbursement by TEİAŞ of the cost of the energy transmission line constructed by the Auction Winner, the period specified under the relevant legislation shall be applied as 1 (one) year.
7. The OWPP shall be operated subject to the provisions of the Electricity Market Law No. 6446 and the secondary legislation enacted thereunder.
8. Throughout the term of the Contract, electrical energy shall not be generated at the OWPP using any energy source other than wind energy.

LOCAL COMPONENT TABLE

Component	Additional Price to the Purchase Price (\$cent/kWh)
Blade	0,30
Tower	0,10
Generator and Gearbox / Direct Drive Generator	0,60
Foundation	0,20
Submarine Cables	0,20

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

We would like to participate in the below mentioned 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.dated .../.../... and subsequently generate electricity from Offshore Wind Power Plant in the renewable energy zone (YEKA) if we are awarded contract as a result of the Auction. We have completely read, understood and hereby agree to the Draft Renewable Energy Zone (**YEKA OWPP-2026 Auction**) 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 the Auction, 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

Bidder's*:

Trade Name:

Province registered in Chamber of Commerce and/or Industry:

Trade registry number:

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.

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) USD-Cent/kWh for the **“YEKA OWPP-2026 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. ... dated .../.../... .

Authorized Representative's

Name-Surname

Signature

SAMPLE LETTER OF GUARANTEE**Date :****No :****LETTER OF GUARANTEE****TO: MINISTRY OF ENERGY AND NATURAL RESOURCES OF REPUBLIC OF
TÜRKİYE**

As our Bank has issued a guarantee of **USD 50,000,000 (Fifty Million US Dollars)** in favor of the Ministry of Energy and Natural Resources of the Republic of Türkiye, in response to the request of(Bidder) who has applied for “**YEKA OWPP-2026 Auction**” within the framework of the notice published by the Ministry of Energy and Natural Resources of the Republic of Türkiye in the Official Gazette No. dated .../.../..., 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 Offshore Wind Based Renewable Energy Zones and Connection Capacity and/or the Draft Contract for the Renewable Energy Zones (YEKA OWPP-2026) to be signed.

This letter of guarantee is fully or partially cashable in Turkish Lira, based on the Turkish Central Bank's foreign exchange selling rate on the payment date, 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 issued a guarantee of **USD 200,000,000 (Two Hundred Million US Dollars)** in favor of the Ministry of Energy and Natural Resources of the Republic of Türkiye, in response to the request of(*Auction Winner*) who has won “**YEKA OWPP-2026 Auction**” within the framework of the notice published by the Ministry of Energy and Natural Resources of the Republic of Türkiye in the Official Gazette No. dated .../.../..., 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 Offshore Wind Based Renewable Energy Zones and Connection Capacity and/or signed Contract for the Renewable Energy Zones (YEKA OWPP-2026).

This letter of guarantee is fully or partially cashable in Turkish Lira, based on the Turkish Central Bank's foreign exchange selling rate on the payment date, definite, out-of-limit and has a duration of **10 (ten)** year from (*Contract Signing Date*).

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 issued a guarantee of **USD ... (... US Dollars)** corresponding to the **contribution fee** in favor of the Ministry of Energy and Natural Resources of the Republic of Türkiye, in response to the request of(*Auction Winner*) who has won “**YEKA OWPP-2026 Auction**” within the framework of the notice published by the Ministry of Energy and Natural Resources of the Republic of Türkiye in the Official Gazette No. dated .../.../..., 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 Offshore Wind Based Renewable Energy Zones and Connection Capacity and/or signed Contract for the Renewable Energy Zones (YEKA OWPP-2026).

This letter of guarantee is fully or partially cashable in Turkish Lira, based on the Turkish Central Bank's foreign exchange selling rate on the payment date, definite, out-of-limit and has a duration of **10 (ten)** year from (*Contract Signing Date*).

Names, titles and signatures of Bank officials

Any of the areas published on our Ministry's website

(<https://enerji.gov.tr/duyuru-detay?id=30615>).