

Law of the Republic of Kazakhstan

«ABOUT SUPPORT OF USE OF RENEWABLE SOURCES OF ENERGY»

The present Law determinates purposes, forms and directions of Renewable Energy Sources use support.

Chapter 1. General Provisions

Article 1. Basic definitions of the present Law

The present Law uses the following basic definitions:

1) Renewable Energy Sources – energy resources that are replaced rapidly by natural processes: energy of sunlight, wind energy, hydrodynamic water energy used for thirty five MW derivation units working without modification of hydro-geological regime of rivers, geothermal energy: ground heat, heat of underground waters, rivers, water basins, and antropogenic resources of primary energy sources: biomass, bio-gas and other organic waste used for electricity and (or) heat generation;

2) Renewable Energy Unit is the independent facility with infrastructure components needed for production of electricity and (or) heat by usage of renewable energy sources.

3) Authorized Body is the authorized governmental body that is in charge in the area of support of the usage of Renewable Energy Sources;

4) Standard Electricity Losses are the technological losses of electricity occur during transportation and distribution of electricity through electricity grid;

5) Qualified Energy Production Organization is the legal organization that generates electricity and (or) heat by using of Renewable Energy Sources.

Article 2. Legislation of the Republic of Kazakhstan in the area of support of renewable energy sources utilization

1. Legislation of the Republic of Kazakhstan in the area of renewable energy sources utilization support is based on the Constitution of the Republic of Kazakhstan and consists of the present Law and other normative legal acts of the Republic of Kazakhstan.
2. Public relations in the area of bio-fuel production and trade shall be regulated by the legislation of the Republic of Kazakhstan about the state regulation of production and trade of bio-fuel.
3. Public relations in the area of electrical and (or) heat energy generation, transmission, and consumption, which are not regulated by this Law, shall be regulated by the Republic of Kazakhstan legislation about electrical energy.
4. If an international treaty ratified by the Republic of Kazakhstan establishes other rules than the present Law, then the rules of the international treaty shall apply.

Chapter 2. State regulation in the area of support of renewable energy sources utilization

Article 3. Purposes and methods of the state regulation in the area of support of renewable energy sources utilization

1. State regulation in the area of support of renewable energy sources utilization is performed with a purpose of creation of favorable conditions for electrical and (or) heat power generation with utilization of renewable sources of energy in order to reduce energy intensity of economic sector, to decrease environmental impact of power industry, and to increase the share renewable energy sources for electrical and (or) heat power generation.

2. State regulation in the area of support of renewable energy sources utilization for electrical and (or) heat power generation includes:

- 1) approval and realization of renewable energy units location plan (program);
- 2) licensing;
- 3) establishing of indicative goals and amount of renewable energy sources in the total volume of electrical power generation in electrical power development programs;
- 4) creation of conditions for training of Kazakhstani specialists and conducting of scientific research in the area of renewable energy sources;
- 5) technical regulation;
- 6) acceptance of normative legal acts in the area of development of renewable energy sources utilization.

Article 4. Main directions of the state regulation in the area of support of renewable energy sources utilization

State regulation in the area of support of renewable energy sources utilization is performed in the following main directions:

- 1) establishing of favorable conditions for construction and operation of renewable energy units;
- 2) stimulation of electrical and (or) heat power generation using renewable energy sources;
- 3) provision to individuals and legal status persons realizing planning, construction and exploitation of renewable energy units, investment preferences according to the Republic of Kazakhstan [legislation About Investments](#);
- 4) establishment of favorable conditions for efficient integration of renewable energy units into the unified [electricity and heat power](#) system and electricity and heat power market;
- 5) contribution to fulfillment of the international obligations of the Republic of Kazakhstan in reduction of green-house gases emissions.

Article 5. Authority of the Government of the Republic of Kazakhstan in the area of support of renewable energy sources utilization

The Government of the Republic of Kazakhstan:

- 1) develops main directions of the state policy in the area of renewable energy sources utilization;
- 2) approves industrial (sectorial) programs for renewable energy sources development and utilization;
- 3) approves the renewable energy sources utilization monitoring procedures order;
- 4) approves technical regulations in the area of renewable energy sources utilization;
- 5) approves the order and terms of renewable energy sources utilization units feasibility study harmonization and affirmation.

Article 6. Authority of the Authorized Body

The Authorized Body:

- 1) realize State policy in the area of renewable energy sources use;
- 2) develops industrial (sectorial) programs for renewable energy sources development and utilization;
- 3) develops technical regulations in sphere of renewable energy sources use and offers amendments for improvement of the state standards in the area of designing, construction, operation and safety of renewable energy units for electricity and (or) heat power generation;
- 4) develops and approves normative legal acts in the area of renewable energy sources utilization;
- 5) approves renewable energy units location plan (program);
- 6) endorses projects of construction of renewable energy units with a capacity of twenty-five megawatts and higher;
- 7) carries out renewable energy sources usage monitoring;
- 8) determinates the order and terms of the nearest connection of renewable energy units point to electrical and (or) heat power grid;
- 9) controls renewable energy units connection to electrical and (or) heat power grid of energy transmission organizations, in accordance with legislation of the Republic of Kazakhstan in the areas of electrical energy;
- 10) determinates the order of electrical power purchase in qualified energy transmission organizations;
- 11) coordinates the interaction of state bodies, enterprises and research and development institutions in the field of development and usage support of renewable energy sources;
- 12) provides international cooperation in the field of usage of renewable energy sources.

Article 7. Authorities of local executive bodies in regions, cities under republic jurisdiction and capital

Local executive bodies of the regions, cities under republic jurisdiction and capital:

1) participate in implementation of industrial (sectorial) programs for renewable energy sources development and utilization;

2) develop and realize regional Renewable Energy Sources development program with consideration of Renewable Energy Sources units' location at remote non-electrified sites, where the centralized power supply is inexpedient;

3) endorse projects for construction of Renewable Energy Sources units of up to 25MW and projects for construction of Renewable Energy Sources units for general heating supply system.

Chapter 3. Support of usage of Renewable Energy Sources

Article 8. Support in designing and construction of Renewable Energy Sources units of

Local executive bodies of the regions, city under republic jurisdiction, capital:

1. shall consider industrial (sectorial) programs of renewable energy sources implementation and utilization during development of plans, economic and social programs of the region, city under republic jurisdiction, capital improvement.

2. shall reserve and provide land for construction of renewable energy sources units according to the legislation of the Republic of Kazakhstan and the plan (program) of the renewable energy units location.

Article 9. Support in selling of electricity and (or) heat power generated with renewable energy sources

1. Regional electricity distribution companies, which have directly connected Renewable Energy Sources units into the network, shall purchase the full volume of the renewable electricity generated by respective qualified energy production organizations to cover up to fifty percent of the electricity loss in the respective distribution network.

If the renewable electricity generated by the qualified energy production organization exceeds the volume of 50 percent of electricity loss of corresponding regional distribution company, then the rest of such renewable electricity volume shall be purchased by the system operator to cover the electricity loss of the national electricity network.

2. Produced by the qualified energy production organization electrical and (or) heat power Purchase contracts are made no less than renewable energy units construction cost recovery terms appointed in the feasibility study of the renewable unit construction project.

3. The system operator to which electricity power grid the renewable energy source connected, according to the Republic of Kazakhstan legislation shall purchase the whole volume of electrical power produced by the qualified energy production organization for his networks electricity loss compensation.

4. Heat power generated by the qualified energy production organizations and supplied into general network of heat supply of the town or of the settlement, with the corresponding

parameters of a heat-carrier in **general heat power supply** system, shall be purchased by the power supply organization.

The cost of heat power generated by qualified energy production organization shall be included into the tariff of the power supply organization, according to the legislation of the Republic of Kazakhstan about natural monopolies and markets regulation.

The qualified energy production organization shall adjust with the energy supply organization the time-period of heat power supply into the general network of heat power supply depending on the season heat power supply conditions.

5. The price of the renewable power is established by the qualified energy production organization independently but not more that a level stated in the feasibility study of the project of renewable energy unit construction.

6. The qualified energy production organization in terms of electrical and (or) heat power supply are free of electrical and (or) heat power transmission organization services payment.

7. Expenses for transmission of electricity produced by the qualified energy production organizations shall be included into the tariff for power transmission services of the regional electrical grid companies and system operator, according to the legislation of the Republic of Kazakhstan about natural monopolies and markets regulation.

8. The qualified energy production organizations shall have the right to enter direct agreements for electricity and (or) heat power supply with the consumers.

Power transmission organizations shall provide free access to qualified energy production organizations' electricity production market according to the Republic of Kazakhstan legislation.

9. The qualified energy production organizations can purchase electrical power from another electrical power producing company for reservation to realize its' obligations on consumers contracts only in the case of emergency power losses and (or) temporary power decrease depending on the natural conditions. Reserved power is realized by the reserving electricity producing companies tariffs, considering the electricity transmission organizations electricity transmission tariffs.

Article 10. Support of Renewable Energy Sources units

for electricity and (or) heat power grid connection

and transmission

1. New Renewable Energy Sources units and reconstructed units regardless of start-up date shall be connected to the nearest point of electricity and (or) heat power network of the power transmission company in accordance with the class of generator voltage or heat-carrier parameters in the general network of heat supply.

2. Energy transmitting organization shall provide with unimpeded and nondiscriminatory identification of the nearest point of electricity and (or) heat power network in accordance with generator voltage of heat-carrier parameters in the general network of heat supply, and provide with connection of the renewable energy sources units.

3. The electricity generated by the qualified organization shall get priorities for transmission in case of limited section of current electricity network.

4. Renewable electricity units shall get priorities in dispatching of the electricity capacity.

5. Extension and reconstruction of the present electricity and heat network facilities of energy transmitting organizations in order to connect renewable energy sources units shall be carried out by the owner of the electricity and heat power networks. The cost for such extension and reconstruction shall be included into the tariff of the energy transmitting organization – the owner of the network, in accordance with the legislation of the Republic of Kazakhstan about natural monopolies and markets regulation.

6. Construction of renewable energy units network facilities to the point of grid connection shall be provided by the owner of such renewable energy unit, and the cost shall be included into the project cost.

Chapter 4. Final Provisions

Article 11. The responsibility for the Republic of Kazakhstan the Renewable Energy Sources Support Law violation.

The violation of the Republic of Kazakhstan Law in area of Renewable Energy Use, support, leads to the responsibility, in accordance with the legislation of the Republic of Kazakhstan.

Article 12. Entry into force

The present Law shall become effective in ten calendar days after the day of its first official publication.

President

Of the Republic of Kazakhstan

N. Nazarbayev