



# Amended Guidelines for Korean Third Party PPAs

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On August 28, 2023, the Ministry of Trade, Industry and Energy (MOTIE) amended the Guidelines set for Third Party PPAs to align them with those set for Direct PPAs.

## Key takeaways

- Renewable energy generators need only submit a filing with MOTIE in order to supply power to consumers via Third Party PPAs. Previously, an approval by MOTIE was required.
- Electricity consumers who may utilise a Third Party PPA are either general power or industrial power consumers of at least 300kW. Previously, the threshold was 1,000kW.
- Renewable energy generators utilising Third Party PPAs are now able to sell power generated in excess of time-based consumption to the electricity market. Previously, they could sell power to the electricity market only in cases where the electricity consumer could not purchase power due to circumstances beyond the control of such consumer.
- Electricity consumers are now permitted to enter into a multi-party agreement with renewable electricity generators. Accordingly, multiple generators may enter into a PPA with one electricity consumer (N:1) or one renewable electricity generator may enter into a PPA with multiple consumers (1:N). Previously, such multi-party agreements were not allowed. However, transactions between multiple generators and multiple consumers (N:N) are still not allowed under the amended guidelines.

## Implications

Corporates may in the future consider using Third Party PPAs to achieve its RE100 target. We note that KEPCO must still participate in the Third Party PPA transactions as an intermediary.

The full details of the amendments can be accessed at:

[https://www.motie.go.kr/motie/ms/nt/gosi/bbs/bbsView.do?bbs\\_seq\\_n=64451&bbs\\_cd\\_n=5&tPage=1](https://www.motie.go.kr/motie/ms/nt/gosi/bbs/bbsView.do?bbs_seq_n=64451&bbs_cd_n=5&tPage=1)

It is available only in Korean.

If you have any questions or need help with the above, please feel free to contact us. Our dedicated Project & Energy Group is recognised as a top ranking team in various international publications such as Chambers & Partners. It is the only Korean law firm that provides a one-stop service that can assist project and energy clients with regulatory advice, project finance, construction and operation and M&A.

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