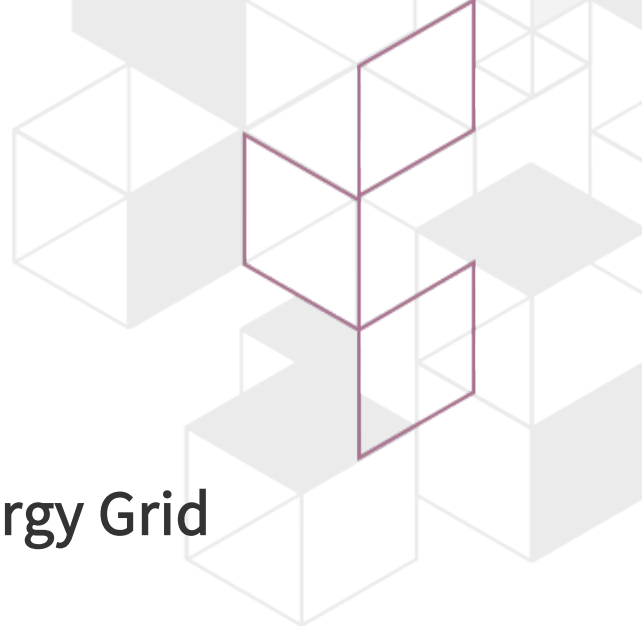




Korea Reforms Renewable Energy Grid Connection

2026.09.14

On 20 August 2026, Korea's National Assembly passed seven bills to amend and reform the nation's renewable energy regulations. This is the second of a series of newsletters in which Shin & Kim's Projects & Energy Group will provide analysis of the newly passed bills, focusing on amendments concerning power grid infrastructure.

Key takeaways

New shared connection business. A new type of business has been established entitled 'shared renewable-energy grid-connection facility construction business'.

- **Benefits:** rather than each generation facility separately building and negotiating its own grid-connection facilities, multiple renewable-energy generation businesses may centralize licensing, financing, and construction under a single shared grid-connection facility operator. This operator is able to secure necessary land and other resources and to submit implementation plans. Once a plan is approved, the relevant permits and approvals under applicable laws are deemed granted.
- **Limitations:** the project operator must obtain a licence from the Minister of Climate, Energy and Environment which requires it to have, among others, the financial and technical capability, and completed consultation with all participating power generators. This is a project-specific licence and does not confer transmission/distribution operator status, the right to operate the public grid or collect public grid usage charges, or guaranteed connection to the public grid. Grid interconnection procedures with KEPCO must be conducted separately.

Expanded developer pool for grid projects considered to be 'national backbone'. Under the amended *Special Act on the Expansion of National Key Power Grids*, entities other than transmission business operators are permitted to develop and construct certain national grid development projects.

- **BT (Build-Transfer) Model:** constructed facilities must be transferred to the transmission operator immediately upon project completion. The original builder does not receive an independent transmission-business permit or retain post-transfer ownership or operating rights.
- **Temporary validity:** this provision is effective until 31 December 2029. If an entity is designated project developer before that date, the amended rules will continue to apply to the project's implementation and eventual transfer

and acquisition.

Priority grid access for small public-interest renewable-energy projects. Under the amended *Electric Utility Act* and amended *Special Act on Activation of Distributed Energy*, eligible renewable-energy projects with an installed capacity of 1 MW or less may receive on a discretionary basis priority for connection to electrical facilities and distribution networks.

- **Eligible projects:** (a) projects undertaken by residents near national backbone-grid facilities, (b) projects undertaken by cooperatives in growth-promotion areas, and (c) certain resident-participation projects to be specified by Presidential Decree.

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.

Key Contacts

Michael Chang

Senior Foreign Attorney

+82-2-316-4653

mchang@shinkim.com

Sang-Hyun Lee

Partner

+82-2-316-4068

shlee@shinkim.com

Su Yong Jung

Partner

+82-2-316-4345

syjung@shinkim.com

Jae Wook Ryu

Partner

+82-2-316-1635

jwryu@shinkim.com

Jae Il Lee

Partner

+82-2-316-1667

jjilee@shinkim.com

Seunghwan Choi

Associate

+82-2-316-1944

shchoi@shinkim.com