

ORGANIZATION, COMMUNICATION AND GOVERNANCE OF EMRA

*Cahit AKINCI, Head of Department,
INTERNATIONAL RELATIONS AND COORDINATION WITH EU
February 2005*

ENERGY MARKET REGULATORY AUTHORITY (EMRA)



OUTLINE

- ORGANIZATION
- COMMUNICATION
- GOOD GOVERNANCE (Transparency, predictability, accountability and participation)

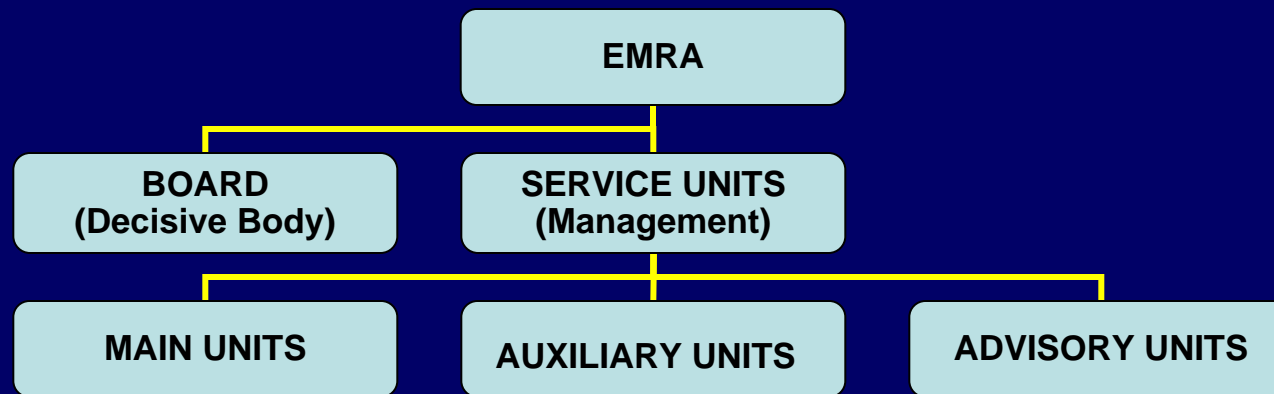


ORGANIZATION

HOW EMRA IS ORGANIZED

- Organization of EMRA
- Board and Working Procedures,
- Organization of Departments
- Decision Making Procedure

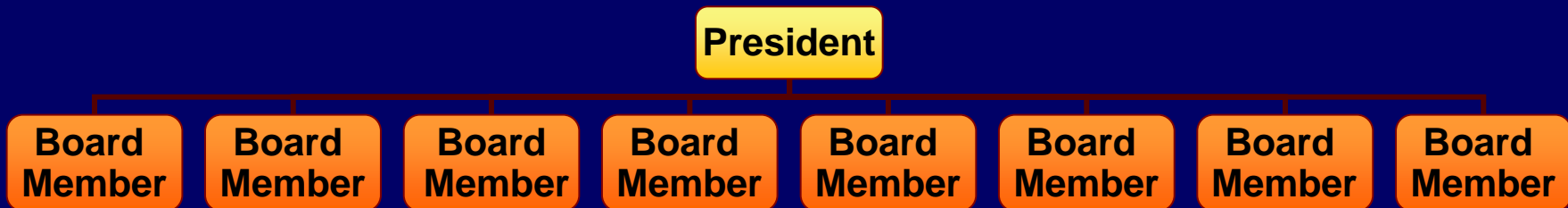
ORGANIZATION OF EMRA





THE BOARD

- The Board is the decisive body of EMRA, which is composed of nine members. President chairs the Board and governs EMRA. Board generally meets once a week on Tuesdays. If necessary president may ask for meeting more than once a week (art. 7)





THE BOARD

- Board meetings are governed by the President. In the absence of him, it is governed by the Vice President. (art. 8)
- Agenda of the meeting is determined by the President two days before the meeting and Members are informed about the agenda by the Special Bureau for the Board (art. 7)

THE BOARD

- Before discussing the agenda, Members may propose new agenda topics. These proposals are taken into agenda by the decision of the Board or rejected (art. 8)





THE BOARD

- To make a Board Meeting;
 - There must be absolute majority of the members (at least five members) (art. 9)
- To take a decision;
 - Majority of the present members must vote in favor of a proposal (at least three members) (art. 9)



THE BOARD

- Having discussed each topic, Board votes for the topic. (art. 10)
- Board may decide to secret ballot for any subject. (art. 10)
- In case of equal vote for and against a topic, it is discussed again in the next meeting. If there is equal vote again, vote of the president determines the result. (art. 9)
- Board Members, objecting a decision, explain their reasons in written form and sign below it (art. 12)



THE BOARD

- The decisions are written in the record book, and kept in the Special Bureau for the Board (art. 14)
- Approved copies of the decisions are distributed to related departments or related third parties (art. 14)
- If necessary, President or someone authorised by him may give speeches to press. (art. 15)
- As a rule, president and members have to attend all the meetings. (art. 16)

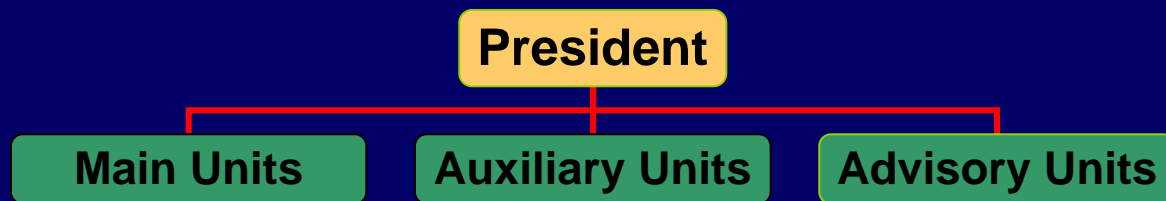


THE BOARD

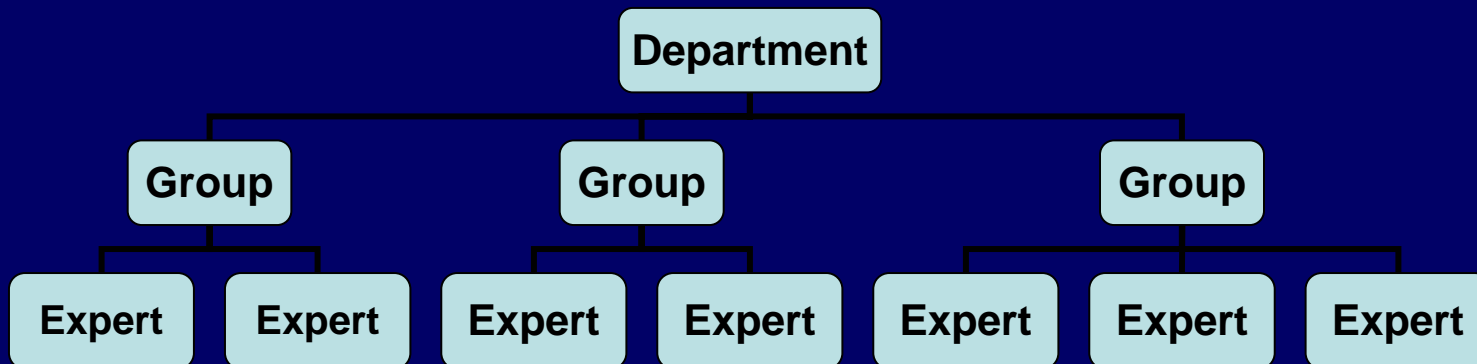
- Members, who could not attend to a meeting because of their excuse, can not vote in any way, that is written vote and power to vote for another member is not allowed. (art. 16)



SERVICE UNITS

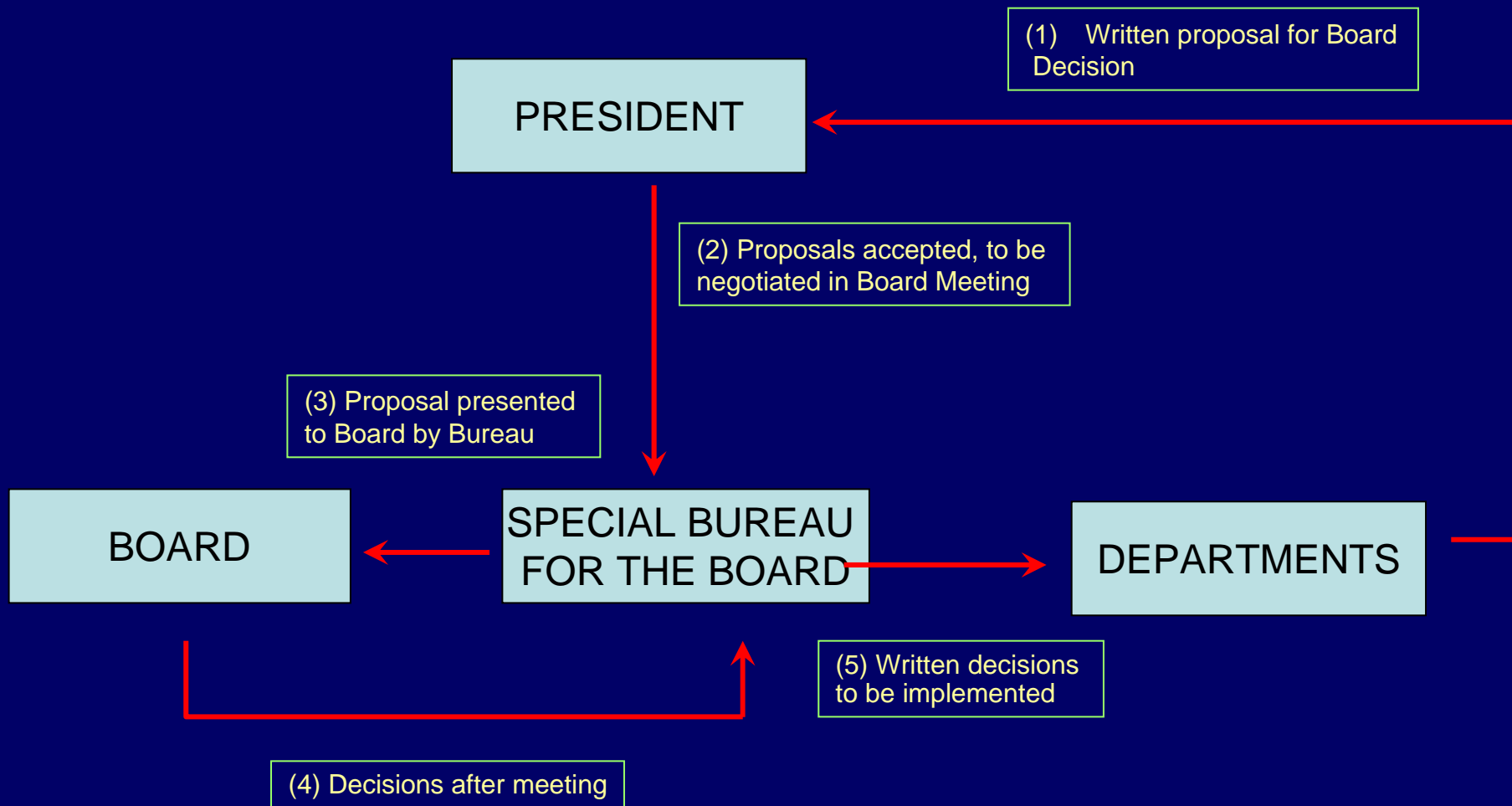


In general, units are organized as departments. Groups are established by department heads to respond the needs of the departments.





HOW DECISIONS TAKEN





CIRCULATION OF DOCUMENTS

RELATED PARTY



PRESIDENT

President sends the documents to department heads and they re-send them to groups to be processed

Information flow from president to staff is provided by memorandums

All departments report directly to President

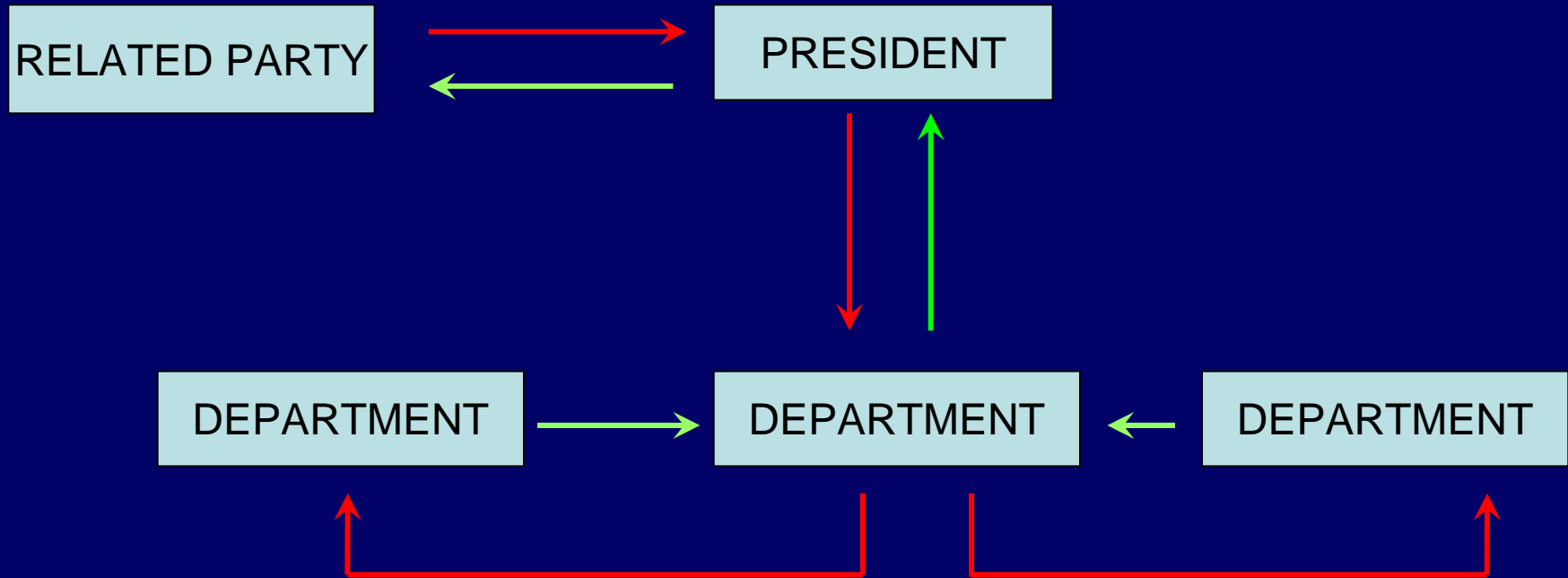
DEPARTMENTS

GROUPS





CIRCULATION OF DOCUMENTS



Sometimes, there may be a need for coordination between departments to gather a specific information. In such conditions, having prepared a single document, it is sent to president

Coordination among the departments is mostly provided by written document. However sometimes verbal information and e-mail is used



COMMUNICATION

- Role of President in Communication
- Departments' Contribution
- Ways of Informing Stakeholders
- Stakeholders Contribution to Regulation Process



DUTIES OF THE PRESIDENT

In terms of Communication, according to Regulation on the Organization of the EMRA and Working Procedure and Provisions Applicable to its Employees, President shall;

- ensure that the service units function in a harmonious, efficient, disciplined and orderly manner and provide coordination and organization between the Board and the service units and settle any dispute, which may arise between the service units, regarding duties and responsibilities thereof; (art. 13)
- determine the agenda, date and time of the Board's meetings and to chair such meetings; (art. 13)



DUTIES OF DEPARTMENTS

In terms of Communication, Electricity Market, Natural Gas Market and Petroleum Market Departments shall;

- establish mechanisms, which will be used to make a continuous assessment of comments and suggestions made by legal entities engaged in the market regarding preparation and updating of such legislation and to carry out works related to ensuring implementation of such mechanisms. (art. 18)

Sectoral Competition and Consumer's Rights Department shall;

- Carry out works related to examination and processing of complaints and applications in order to ensure protection of consumers' rights. (art.18)

DUTIES OF DEPARTMENTS

In terms of Communication, Department for International Relations and Coordination With the European Union shall;

- Carry out works related to fulfillment and coordination of the Authority's obligations arising from Turkey's relations with international organizations in the field of energy market; (art. 19)
- hold consultations with international organizations and agencies and representatives thereof regarding issues concerning the energy market and to monitor international developments; (art. 19)
- carry out organization of international meetings to be held in Turkey in respect of issues coming under the Authority's responsibilities. (art. 19)



DUTIES OF DEPARTMENTS

In terms of Communication, Management Improvement and Human Resources Department shall;

- Coordinate relations with local organizations and agencies and to hold consultations with representatives thereof; (art. 20)
- ensure coordination between the Authority's service units thereby contributing to efficient and effective provision of services; (art. 20)
- undertake studies aimed at improving the Authority's organizational structure to ensure that highest quality in services is maintained and to inform the President's Office about actions to be taken for that purpose. (art. 20)



DUTIES OF DEPARTMENTS

In terms of Communication, Management Services and Information Technology Department shall;

- carry out communication and general correspondence; (art. 20)
- create common databases related to issues coming under the scope of the Authority's responsibilities; (art. 20)
- develop software, hardware and standards needed to ensure the Authority's communication with other entities regarding information technologies and ensure application thereof; (art. 20)
- ensure that the Authority's flow of information through the Internet is carried out regularly. (art. 20)

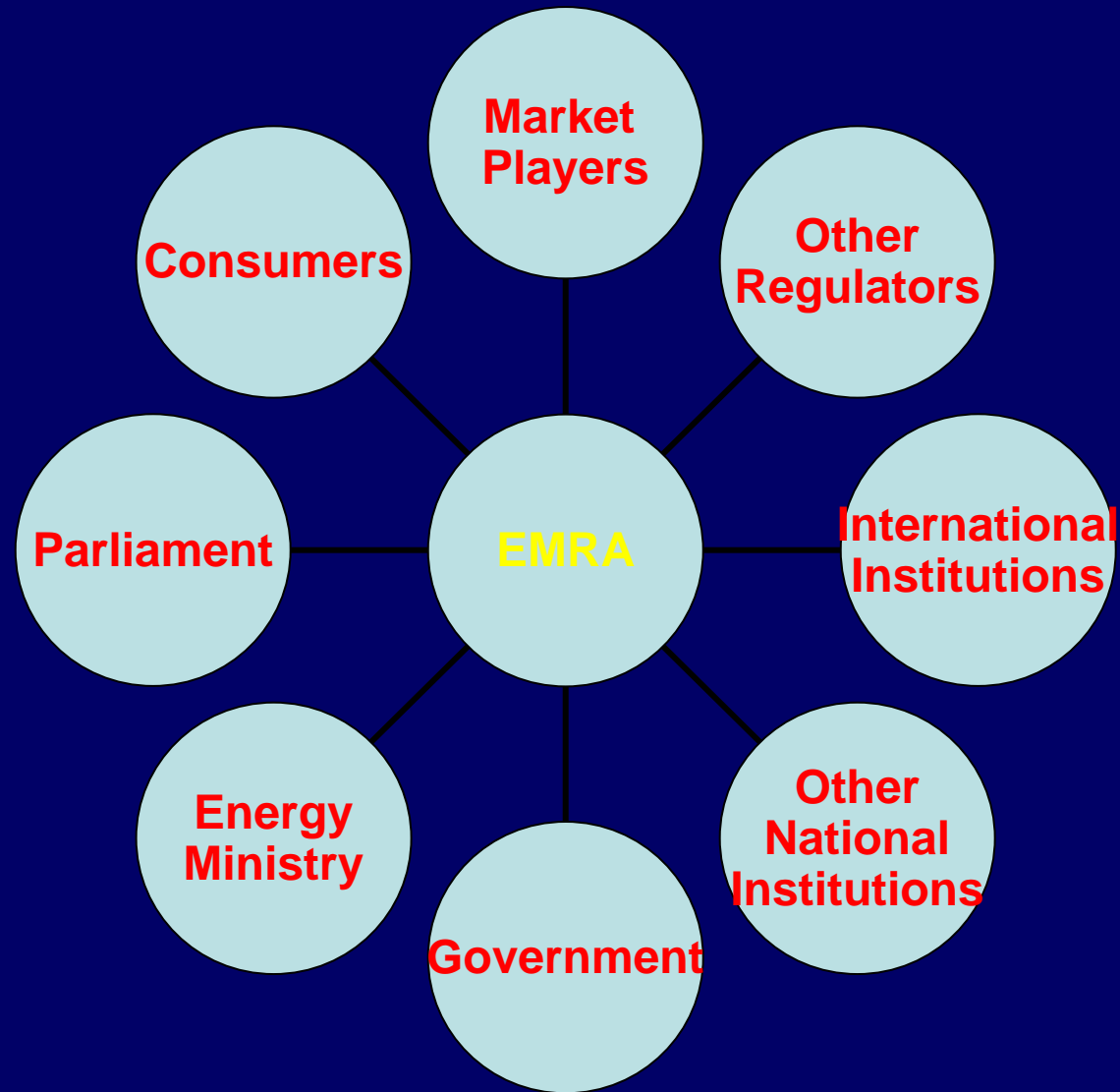


DUTIES OF DEPARTMENTS

In terms of Communication, Press and Public Relations Adviser's Office shall;

- monitor, compile and assess press reports related to the Authority's activities and to issue a statement in response to any report if considered necessary by the President. (art. 20)

WHO ARE STAKEHOLDERS





HOW TO KEEP STAKEHOLDERS INFORMED

- Annual Reports
- Press Releases
- Information Unit
- Web Site: www.epdk.org.tr
- President's Statements
- Board Decisions
- Visit to EMRA Offices
- Reply to e-mails and Letters



How Stakeholders Contribute to Regulation Process

- Stakeholders contribution to regulatory process is a part of governance.
- The Board has the power to make secondary legislation. Board may put new rules into effect, change them or annul them.
- While using its power, the Board takes into account contributions and views of the related parties.
- When a new legislation drafted, it is put into the website in order to inform stakeholders and to enable them to state their views.



How Stakeholders Contribute to Regulation Process

- Another way of providing stakeholders contribution is to make meetings with them; representatives from the sector may come together with President, Board Members and experts
- Later on, their views are evaluated by experts.
- Also, if stakeholders think that some clauses of a legislation is not plausible, they may state their views to experts and commence a initiative so as to make it change or annul.



How Stakeholders Contribute to Regulation Process

- Another instrument used by EMRA for providing stakeholders' contribution is the method for general capacity projections.
 - Distribution companies prepares the general capacity projections
 - They sent it to transmission system operators so as to prepare a compiled projection
 - Transmission system operator sends it to EMRA for approval



GOOD GOVERNANCE

- In EMRA's operations,
 - Transparency
 - Predictability
 - Accountability
 - Participation
- is secured by laws.

TRANSPARENCY

- Institutional Transparency
 - Annual Reports
 - Access to Board decisions
 - Information Unit
 - Natural Gas Distribution Tenders



PREDICTABILITY

- Regulatory framework can be accessed
- Tariff rates and calculation methods are known,
- Demand forecast for certain period is announced
- Equal and objective treatment by the Board



ACCOUNTABILITY

- Internal auditing
- External auditing
- Related parties' queries
- Complaints with the court
- Annual reports and other reports



PARTICIPATION

- During drafting the regulation
- During policy determination
- During modification of the legislation and other issues

ANNUAL REPORTS

- Annual reporting is an extensive tool of accountability to the general public and to all stakeholders of the EMRA
- Annual Report includes:
 - Institutional Structure
 - World Energy Markets
 - Turkish Energy Markets
 - Operations in Electricity Market
 - Operations in Natural Gas Market
 - Operations in Petroleum Market
 - Relations with European Union and other countries
 - Data on appeals

INFORMATION UNIT

- In 2003, Turkish National Assembly enacted a law named as “Law on the Right to Obtain Information” which enables third parties to get information about the activities of the all public institutions
- In 2004, Council of Ministers enacted a regulation so as to show how the law will be implemented.
- In accordance with the law and regulation, the EMRA established “Information Unit” so as to provide answers to questions about the activities of the EMRA



INFORMATION UNIT

- Press and Public Relations unit is authorized to reply questions
- Application for information is directly submitted to EMRA by e-mail or letters
- EMRA replies the applications within 15 days
- If EMRA rejects a request, then it has to disclose its reasons

INFORMATION UNIT

WHO CAN APPLY FOR INFORMATION

- Turkish Citizens
- Turkish Legal Persons
- Foreign Real Persons residing in Turkey and Foreign Legal persons operating in Turkey; however, they may ask for information related to themselves and provided that their governments provide same opportunity to Turkish Citizens (principle of reciprocity)



INFORMATION UNIT

WHICH REQUESTS ARE REJECTED

- State secrets
- Information about economical interest of the country
- Intelligence documents
- Information violating secrecy of communication
- Trade secrets

can not be disclosed.



INFORMATION UNIT

WHAT HAS BEEN DONE TO MAKE PEOPLE GET INFORMATION IN AN EASY WAY

- In order to help people to find answer to their questions EMRA presents;
 - All legislation related to activities of EMRA,
 - Board decisions,
 - Documentation plans,
 - Frequently asked questions,
 - General information about EMRA



INFORMATION UNIT

- Activities of the EMRA such as
 - Licensing
 - Tariffs
 - Market Reports
 - Tenders
 - Auditing
- Contact Link and access to Information Unit in the website.



Natural Gas Distribution Tenders

- Tenders are carried out open to public
- They are broadcasted in the internet.
- In the tender process, there are three stages;
 - In the first stage
 - Price offers are given in closed envelopes
 - In the second stage
 - They are opened in front of public
 - The companies who made best three offers are obtain right to pass to third stage.



Natural Gas Distribution Tenders

- In the third stage
 - These companies are invited to make better offers
 - In the final, the company who made best offer wins the tender



Thank You

www.epdk.org.tr