

Name of Regulation:

Regulations Governing the Permission and Administration of Geothermal Energy Exploration and Development

Article 1

These Regulations are enacted pursuant to Paragraph 4, Article 15-1, Paragraph 7, Article 15-2, Paragraph 6, Article 15-3, and Paragraph 1, Article 15-4 of the Renewable Energy Development Act (hereinafter referred to as “the Act”).

Article 2

1. The competent authority referred to in these Regulations shall be the Ministry of Economic Affairs.
2. The competent authority shall delegate the Energy Administration, Ministry of Economic Affairs R.O.C., to handle matters prescribed under these Regulations.

Article 3

The terms used in these Regulations are defined as follows:

1. Exploration: Refers to the act of investigating geothermal energy reserves beneath the ground through drilling, boring, or other similar methods for the purpose of establishing geothermal power generation equipment.
2. Application: Refers to an application submitted by an applicant to the competent authority for an exploration or development permit in accordance with these Regulations.
3. Exploration Site: Refers to the land area for which the Applicant applies to conduct Exploration.
4. Development Site: Refers to the land area for which the Applicant applies to conduct development.
5. Geothermal Energy Exploration Permit Holder: Refers to a person who has obtained a Geothermal Energy Exploration Permit in accordance with these Regulations.
6. Geothermal Energy Development Permit Holder: Refers to a person who has obtained a Geothermal Energy Development Permit in accordance with these Regulations.
7. Total Investment Amount: Refers to the amount calculated by multiplying the initial installation cost per kilowatt as determined on the basis of the feed-in tariff rate for

geothermal power generation announced for the year of application by the planned total installed capacity.

Article 4

An applicant for Exploration shall meet the following qualifications:

1. A natural person, a juridical person (including one in the preparatory stage), a legally registered business, or an unincorporated organization duly established with a representative or manager.

2. Possession of self-owned funds totaling at least NT\$5 million; however, this requirement shall not apply to state-owned enterprises.

Article 5

An Application for a Geothermal Energy Exploration Permit shall be submitted by completing an application form (Annex 1) and enclosing the following documents, bound in triplicate and accompanied by electronic files, to the competent authority:

1. A copy of the applicant's identification document; for a non-natural person, a copy of the certificate of establishment or registration, and a copy of the identification document of its representative or responsible person.

2. A Geothermal Energy Exploration Plan (Annex 2).

3. Land Use Consent Documentation for the Exploration Site, or a letter of intent issued by the land management authority.

4. A document issued within the past year verifying that the Exploration Site is not located within the scope specified on the Single Window of Inquiries of Sensitive Areas of National Land Management Agency established by the National Land Management Agency, Ministry of the Interior, or equivalent verification documents issued by the competent authority for regional planning.

5. Where the Exploration Site is located within Indigenous Peoples' land, communities, or adjacent to public land within a certain range, relevant certification documents issued in accordance with Article 21 of the Indigenous Peoples Basic Law shall be attached.

6. Documentary proof of financial capacity demonstrating possession of self-owned funds of at least NT\$5 million as specified in the preceding Article.

7. Other documents designated by the competent authority.

Article 6

The Geothermal Energy Exploration Plan prescribed in the preceding Article shall include the following items:

1. Overview of the exploration plan and the scope of the Exploration Site.
2. Collection of geological background data.
3. Planning for geothermal resource survey.
4. Planning for drilling operations and downhole testing.
5. Scheduled progress of geothermal energy exploration works.
6. Financial plan.
7. Other supplementary explanations.

Article 7

Where the vertical projection of a planned wellbore at the Exploration Site lies within a horizontal distance of 500 meters of any of the following boundaries, the applicant shall provide an explanation of the potential impacts, mitigation measures, and relevant exploration plans for review by the competent authority:

1. Boundaries of wells currently used for geothermal power generation.
2. Boundaries of wells whose Geothermal Energy Exploration Permit or Geothermal Energy Development Permit has been approved pursuant to the Act.
3. Boundaries of wells with development or operation permits granted pursuant to the Hot Spring Act or other applicable laws and regulations.

Where the applicant is the same entity as the right-holder under Subparagraphs 1 to 3 of the preceding paragraph, submission of the above-mentioned information is not required.

Article 8

An applicant for a development permit shall meet the following qualifications:

1. A natural person, a juridical person (including one in the preparatory stage), a legally registered business, or an unincorporated organization duly established with a representative or manager.
2. Possession of self-owned funds accounting for at least fifteen percent of the total investment amount; however, this requirement shall not apply to state-owned enterprises.

Article 9

An Application for a Geothermal Energy Development Permit shall be submitted by completing an application form (Annex 3) and enclosing the following documents, bound in triplicate and accompanied by electronic files, to the competent authority:

1. A copy of the applicant's identification document; for a non-natural person, a copy of its certificate of establishment or registration, and a copy of the identification document of its representative or responsible person.
2. A Geothermal Energy Development Plan (Annex 4).
3. Relevant land-use documents for the Development Site:
 - (1) Documentary proof for land-use permission or change of land use.
 - (2) Land Use Consent Documentation, or a letter of intent issued by the land management authority.
 - (3) A document issued within the past year verifying that the Exploration Site is not located within the scope specified on the Single Window of Inquiries of Sensitive Areas of National Land Management Agency established by the National Land Management Agency, Ministry of the Interior, or equivalent verification documents issued by the competent authority for regional planning.
4. Where the Development Site is located within Indigenous Peoples' land, communities, or adjacent to public land within a certain range, relevant certification documents issued in accordance with Article 21 of the Indigenous Peoples Basic Law shall be attached.
5. Where any part of the Development Site is located within a hot spring area announced under the Hot Spring Act, a Hot Spring Industry Development Impact Analysis Report (Annex 5) shall be attached.

6.Documentary proof that self-owned funds account for at least fifteen percent of the total investment amount, as specified in the preceding Article.

7.Other documents designated by the competent authority.

Article 10

The Geothermal Energy Development Plan prescribed in the preceding Article shall include the following items:

1.Overview of the development plan.

2.The Development Site and well locations.

3.Analysis of the geothermal geological conceptual model.

4.Planning for the utilization of geothermal resources and impact assessment.

5.Drilling engineering and related testing.

6.Planning for the installation of geothermal power generation equipment.

7.Scheduled geothermal development progress.

8.Project budget and financial planning.

9.Operation, maintenance, and Environmental Protection Measures.

10.Other supplementary explanations.

Where the items listed in the preceding paragraph fall within the scope of practice requiring Verification by a Professional Engineer, they shall be certified accordingly.

Article 11

Where the vertical projection of a planned wellbore at the Development Site lies within a horizontal distance of 500 meters of any of the following boundaries, the applicant shall provide an impact analysis, mitigation measures, and relevant

explanatory information for review by the competent authority:

1. Boundaries of wells currently used for geothermal power generation.
2. Boundaries of wells whose Geothermal Energy Exploration Permit or Geothermal Energy Development Permit has been approved pursuant to the Act.
3. Boundaries of wells with development or operation permits granted pursuant to the Hot Spring Act or other applicable laws and regulations.

Where the applicant is the same entity as the right-holder under Subparagraphs 1 to 3 of the preceding paragraph, submission of the above-mentioned information is not required.

Article 12

The competent authority may, considering geothermal potential and the implementation of these Regulations, conduct public solicitation and selection procedures pursuant to Article 4 of the Act and Article 5 of the Regulations for the Management of Setting up Renewable Energy Power Generation Equipment.

Article 13

Where an Application submitted by an applicant is incomplete or contains deficiencies that may be corrected, the competent authority shall notify the applicant to make corrections within a specified period. Applications that are not corrected within the specified period, are corrected incompletely, or are not capable of correction shall not be accepted.

Article 14

Where a Geothermal Energy Exploration Permit Holder, before the expiry of the Validity Period of the Permit, has submitted exploration data in accordance with Paragraph 1, Article 15-4 of the Act and has applied for a Geothermal Energy Development Permit for the same Exploration Site with complete application documents, the competent authority shall give priority review to the Application.

Article 15

The competent authority shall conduct a joint review with the municipality or county (city) government, and may establish a review committee composed of seven to eleven members, including representatives of relevant ministries and agencies, experts, and scholars, to conduct the review on the completeness of the plan, including its feasibility, technical capability, financial condition, feasibility of the financial plan, and reasonableness of the work schedule. A record of the review shall be prepared.

Review committee members shall attend the meetings in person, and a meeting shall require the attendance of more than one-half of all committee members.

A review committee member shall recuse themselves under any of the following circumstances:

1. Where the Application involves the interests of the member, their spouse, relatives by blood or marriage within the third degree, or cohabiting family members sharing a household.
2. Where the member or their spouse has had an employment, consultancy, mandate, or agency relationship with the applicant within the past three years.
3. Where the member self-acknowledges, or the competent authority determines, that they may be unable to perform their duties impartially.

Article 16

During the review prescribed in the preceding Article, the competent authority may, where necessary, require the applicant to provide explanations, submit supplementary materials, undergo an on-site inspection, or complete other required procedures.

Article 17

The competent authority shall reject an Application under any of the following circumstances:

1. Failure to pass review by the review committee.
2. Failure of the applicant to cooperate with explanations, an on-site inspection, or other necessary procedures when so notified by the review committee.
3. Violation of relevant laws or regulations.

Article 18

Where an Application is approved, the competent authority shall issue a Geothermal Energy Exploration Permit or Geothermal Energy Development Permit.

The Geothermal Energy Exploration Permit shall have a Validity Period of two years and shall specify the following:

1. The permit holder.

- 2.The approved Exploration Site.
- 3.The start and end dates of the Validity Period of the Permit.
- 4.Other matters to be observed or coordinated.

The Geothermal Energy Development Permit shall have a Validity Period of five years and shall specify the following:

- 1.The permit holder.
- 2.The approved Development Site and well locations.
- 3.Planned installed capacity.
- 4.The Permitted Maximum Water Extraction Volume.
- 5.The start and end dates of the Validity Period of the Permit.
- 6.Requirements concerning the proportion of tailwater reinjection into the original aquifer pursuant to the Act.
- 7.Other matters to be observed or coordinated.

Any changes to the recorded matters in the preceding two paragraphs shall be submitted to the competent authority with explanations and supporting documents. Changes may only be made after approval by the competent authority.

The competent authority may, based on production well capacity testing and other relevant materials provided by the Geothermal Energy Development Permit Holder, adjust the approved Permitted Maximum Water Extraction Volume.

Article 19

Where amendments are made to items in the plan that do not involve the permit particulars required to be recorded under the preceding Article, the Geothermal Energy Exploration Permit Holder or Geothermal Energy Development Permit Holder shall submit an explanation and supporting documents to the competent authority for recordation.

Article 20

A Geothermal Energy Exploration Permit Holder or Geothermal Energy Development Permit Holder conducting Exploration or development activities shall:

1. Implement all activities in accordance with the permit contents and the Geothermal Energy Exploration Plan or Geothermal Energy Development Plan.
2. Hold a Local Explanation Session before construction activities for Exploration or development, and submit relevant documentation for recordation.
3. Comply with laws and regulations relating to environmental protection, occupational safety and health, and other applicable requirements.

Article 21

During the Validity Period of the Permit, the competent authority may require the Geothermal Energy Exploration Permit Holder or Geothermal Energy Development Permit Holder to provide explanations of implementation status, progress, and related materials, and may dispatch personnel to conduct an on-site inspection.

Permit holders shall not evade, obstruct, or refuse such actions.

Article 22

A Geothermal Energy Exploration Permit Holder or Geothermal Energy Development Permit Holder shall, before the expiration of the Validity Period of the Permit, submit the required materials in accordance with Paragraph 1, Article 15-4 of the Act (Annex 6).

Article 23

Applications to extend a permit shall be submitted at least two months before the expiration of the Validity Period of the Permit, with explanations, justifications, and supporting documents. The extension periods are as follows:

1. A Geothermal Energy Exploration Permit may be extended no more than two times, and each extension not exceeding one year.
2. A Geothermal Energy Development Permit may be extended once per Application, with each extension not exceeding one year.

Where an extension is not approved, the permit shall lose effect upon expiry of its Period of Validity or extension period.

Article 24

The competent authority may revoke the Permit under any of the following circumstances:

- 1.The permit holder voluntarily applies for revocation due to lack of intention to continue Exploration or development during the Period of Validity or extension period.
- 2.Failure to conduct Exploration or development in accordance with the permit contents.
- 3.Evasion, obstruction, or refusal to provide explanations or cooperate with an on-site inspection required by the competent authority.
- 4.Continued Exploration or development is likely to cause a significant impact on the environment or public interest.

Except for Subparagraph 1 of the preceding paragraph, where improvement is possible, the competent authority may, before the revocation of the permit, notify the Geothermal Energy Exploration Permit Holder or Geothermal Energy Development Permit Holder to make corrections within a specified period.

Article 25

Where a geothermal exploration or development permit expires, is revoked, is abolished by the competent authority, or otherwise becomes invalid, the permit holder shall, within one month, submit exploration or development data in accordance with Paragraph 1, Article 15-4 of the Act (Annex 6), and dismantle, seal, plug, or otherwise appropriately handle permitted structures within the time limits set by the competent authority.

The execution of sealing, plugging, dismantling, or other appropriate measures under the preceding paragraph shall be accompanied by documentation verified and certified by a professional engineer for the relevant engineering work.

Article 26

Before the implementation of these Regulations, where approval or consent for geothermal Exploration or drilling activities was obtained from a municipality or county (city) government, the applicant may, within six months from the implementation date of these Regulations, apply for a Geothermal Energy Exploration Permit by submitting the following documents, without being subject to Articles 4 to 7:

- 1.Approval or consent documents for drilling or Exploration issued by the municipality or county (city) government.

- 2.The drilling or Exploration plan approved under the preceding subparagraph.

- 3.Other documents designated by the competent authority.

For an Application under the preceding paragraph, the competent authority shall issue a Geothermal Energy Exploration Permit in accordance with Article 18 upon approval after review.

Article 27

Before the implementation of these Regulations, where a Hot Spring Development Permit was issued by a municipality or county (city) government for the installation of geothermal power generation equipment, the applicant may, within one year from the implementation date of these Regulations, apply for a Geothermal Energy Development Permit by submitting the following documents, without being subject to Articles 8 to 11:

- 1.The Hot Spring Development Permit issued by the municipality or county (city) government.

- 2.The plan approved under the preceding subparagraph.

- 3.Other documents designated by the competent authority.

Before the implementation of these Regulations, where a Hot Spring Development Permit has been issued by a municipality or county (city) government and an electric utility license or a registration document for renewable energy generation equipment for geothermal power generation has been obtained, the permit holder may, based on actual operating conditions, apply to the competent authority within six months from the date of implementation of these Regulations to complete the required permitting procedures by submitting the following documents, without being subject to Articles 8 through 11.

- 1.Electric utility license or renewable energy equipment registration document.

- 2.Hot Spring Development Permit issued by the municipality or county (city) government.

- 3.The plan approved under the preceding subparagraph.

4. Other documents designated by the competent authority.

For Applications under the preceding two paragraphs, the competent authority shall, upon approval after review, issue a Geothermal Energy Development Permit in accordance with Article 18.

Upon obtaining a Geothermal Energy Development Permit pursuant to Paragraph 2, the permit holder may apply to the water authority to change the term of the water rights registration. The maximum term shall be the remaining period obtained by deducting the total number of years already held under the electric utility license or renewable energy equipment registration documents from the term prescribed in Article 15-3 of the Act.

Article 28

For geothermal power generation equipment installed as Type 1 Renewable Energy Generation Equipment, the permit holder shall obtain a work permit pursuant to the Electricity Act and its related regulations after obtaining the Geothermal Energy Development Permit.

For geothermal power generation equipment installed as Type 2 Renewable Energy Generation Equipment, the permit holder shall obtain a work approval letter pursuant to the Electricity Act and its related regulations after obtaining the Geothermal Energy Development Permit.

For geothermal power generation equipment installed as Type 3 Renewable Energy Generation Equipment, the permit holder shall obtain a filing consent document pursuant to the Act and its related regulations after obtaining the Geothermal Energy Development Permit.

Permit holders under the preceding three paragraphs shall install measuring equipment, record daily water extraction for power generation, tailwater reinjection volumes, and other required matters, and submit quarterly reports to the competent authority and the municipality or county (city) water resources authority (Annex 7). Where the competent authority has, under the proviso of Paragraph 4, Article 15-2 of the Act, approved exemption from the requirement that tailwater reinjection meet 90% of extraction, this restriction shall not apply.

Article 29

These Regulations shall take effect on the date of promulgation.