Democratic People's Republic of Korea

Law on Small and Medium-sized Power Plants

Adopted by Decree No. 2206 of the Standing Committee of the Supreme People's Assembly on April 11, 2007

Amended by Decree No. 1421 of the Standing Committee of the Supreme People's Assembly on November 23, 2016

Amended by Decree No. 1092 of the Standing Committee of the Supreme People's Assembly on October 25, 2022

Chapter 1: Basics of the Law on Small and Medium-sized Power Plants

Article 1 (Mission of the Law on Small and Medium-sized Power Plants)

The Law on Small and Medium-sized Power Plants of the Democratic People's Republic of Korea aims to strictly establish systems and order in the construction and operation of small and medium-sized power plants and the use of electricity to fully meet the increasing demand for electricity.

Article 2 (Definition of Small and Medium-sized Power Plants)

Small and medium-sized power plants are those with a generation capacity of up to 20,000 kW. These include power plants based on various energy resources such as hydro, thermal, tidal, solar, wind, and biomass.

Article 3 (Principles of Construction of Small and Medium-sized Power Plants)

Accelerating the construction of small and medium-sized power plants is an essential requirement for increasing the country's electricity production. The state systematically increases investment in the construction of small and medium-sized power plants, actively mobilizes and utilizes internal resources, and constructs small and medium-sized power plants using various energy resources as a nationwide movement, based on the construction of small and medium-sized hydroelectric power plants, in accordance with regional characteristics and economic efficiency.

Article 4 (Principles of Operation of Small and Medium-sized Power Plants)

The operation of small and medium-sized power plants is an important task to ensure the operation rate of power generation facilities and produce electricity. The state establishes an integrated power management system for small and medium-sized power plants, improves equipment management and technical management, and normalizes their operation.

Article 5 (Principles of Electricity Use from Small and Medium-sized Power Plants)

Proper use of electricity from small and medium-sized power plants is one of the basic methods to eliminate electricity loss and waste. The state ensures that the electricity produced by small and medium-sized power plants is used effectively according to the actual conditions.

Article 6 (Principles of Introducing Scientific Research Results)

The state strengthens scientific research to increase the efficiency of electricity production and use in small and medium-sized power plants and actively adopts its results in the operation of small and medium-sized power plants.

Article 7 (Principles of Electricity Saving and Protection of Power Facilities)

The state strengthens patriotic education among the people to save the produced electricity and actively protect the power facilities of small and medium-sized power plants.

Article 8 (Application of the Law)

This law applies to institutions, enterprises, organizations, and individuals that construct, operate, or use electricity produced by small and medium-sized power plants. Matters not specified in this law are governed by relevant regulations.

Chapter 2: Construction of Small and Medium-sized Power Plants

Article 9 (Basic Requirements for the Construction of Small and Medium-sized Power Plants)

The construction of small and medium-sized power plants is a project to effectively mobilize and utilize the country's electricity resources. Central power industry guidance institutions, small and medium-sized power plant guidance institutions, relevant institutions, enterprises, and organizations must determine the construction site based on a detailed investigation of energy resources before constructing small and medium-sized power plants, design scientifically, set annual construction goals, and plan to construct projects with high economic efficiency.

Article 10 (Preparation of Construction Plans)

The preparation of construction plans for small and medium-sized power plants is done by the national planning institution. The national planning institution must prepare construction plans for small and medium-sized power plants considering electricity demand, labor, materials, and equipment conditions.

Article 11 (Submission and Review of Technical Tasks)

Institutions, enterprises, and organizations intending to construct small and medium-sized power plants must prepare technical tasks and submit them to the central planning guidance institution or the central power industry guidance institution according to the scale of the project. The central planning guidance institution and the central power industry guidance institution must review and process the technical tasks within 30 days.

Article 12 (Preparation of Construction Designs)

The preparation of construction designs for small and medium-sized power plants is done by power design institutions or relevant design institutions and enterprises. Power design institutions and relevant design institutions and enterprises must accurately conduct surveys, geological investigations, and site selection, and prepare rational design plans based on approved technical tasks, considering economic efficiency.

Article 13 (Review and Approval of Construction Designs)

The review and approval of construction designs for small and medium-sized power plants are done by relevant design guidance institutions. Power design institutions and relevant design institutions and enterprises must submit the prepared design plans to the small and medium-sized power plant guidance institution or the central power industry guidance institution for agreement and then submit them to the relevant design guidance institution according to the scale of the project.

Article 14 (Coordination of Construction Plans)

The national planning institution must accurately coordinate the construction plans of small and medium-sized power plants with the construction and construction institutions, enterprises, and organizations. Projects not coordinated with the construction plans cannot be implemented.

Article 15 (Construction Contracts)

Construction and construction institutions, enterprises, and organizations must sign construction contracts according to the construction plans of small and medium-sized power plants. Signed construction contracts must be strictly implemented.

Article 16 (Inspection of Construction Processes)

Construction and construction institutions, enterprises, and organizations must appoint inspectors and strictly inspect the quality of construction. If the quality inspection is not passed, the next construction process cannot proceed.

Article 17 (Guarantee of Construction Period)

Construction and construction institutions, enterprises, and organizations must construct small and medium-sized power plants according to the design and standard construction methods and guarantee the construction period. Unapproved designs cannot be used for the construction of small and medium-sized power plants, and design changes cannot be made.

Article 18 (Construction of Economically Efficient Small and Medium-sized Hydroelectric Power Plants)

Relevant institutions, enterprises, and organizations must first construct economically efficient small and medium-sized hydroelectric power plants. In this case, they must accurately investigate hydro resources and determine hydro points correctly.

Article 19 (Construction of Small and Medium-sized Thermal Power Plants)

Relevant institutions, enterprises, and organizations must construct small and medium-sized thermal power plants according to actual conditions. The construction of small and medium-sized thermal power plants must consider raw materials, industrial water supply conditions, and transportation conditions to comprehensively utilize electricity and heat and ensure economic efficiency.

Article 20 (Construction of Natural Energy Power Plants)

Relevant institutions, enterprises, and organizations must construct power plants using natural energy such as solar, wind, biomass, and tidal energy. The construction of power plants using natural energy must be planned considering climate and geographical conditions.

Article 21 (Standardization and Serialization of Power Generation Equipment)

Relevant institutions, enterprises, and organizations must standardize and serialize small and medium-sized power generation equipment. Institutions, enterprises, and organizations that produce small and medium-sized power generation equipment must produce according to national standards and continuously update power generation equipment by actively adopting advanced scientific technology.

Article 22 (Comprehensive Inspection and Completion Inspection of Small and Medium-sized Power Plant Construction)

Construction and construction institutions, enterprises, and organizations must conduct a comprehensive inspection after the construction of small and medium-sized power plants is completed and receive a completion inspection from the relevant construction

supervision institution according to the scale of the project. Small and medium-sized power plants that do not pass the comprehensive inspection cannot receive a completion inspection, and those that do not pass the completion inspection cannot be operated.

Chapter 3: Operation of Small and Medium-sized Power Plants

Article 23 (Basic Requirements for the Operation of Small and Medium-sized Power Plants)

Proper operation of small and medium-sized power plants is an essential requirement for normalizing electricity production. Small and medium-sized power plant guidance institutions and relevant institutions, enterprises, and organizations must ensure full operation and full load of power generation facilities to increase electricity production.

Article 24 (Implementation of Electricity Production Plans)

Small and medium-sized power plant guidance institutions and relevant institutions, enterprises, and organizations must prepare electricity production plans according to the generation capacity of small and medium-sized power plants and submit them to the national planning institution. The national planning institution must accurately calculate the generation capacity of small and medium-sized power plants and implement the electricity production plans.

Article 25 (Execution and Modification of Electricity Production Plans)

Relevant institutions, enterprises, and organizations must execute the received electricity production plans monthly and quarterly without fail. If they wish to modify the electricity production plans, they must obtain approval from the national planning institution.

Article 26 (Normalization of Electricity Production)

Relevant institutions, enterprises, and organizations must modernize and scientize power generation facilities and introduce advanced technology to normalize electricity production at a high level.

Article 27 (Water Management of Small and Medium-sized Hydroelectric Power Plants)

Relevant institutions, enterprises, and organizations must timely maintain facilities such as dams, intake structures, gates, and channels, and scientifically manage water to ensure high water levels and the safety of structures. They must regularly excavate and dredge reservoirs and establish and expand intermediate intake structures to secure more water.

Article 28 (Protection of Power Facilities)

Relevant institutions, enterprises, and organizations must plant many trees or create protective facilities in the protection zones of small and medium-sized power plants to protect power facilities from damage caused by drought, floods, landslides, lightning, etc. In winter, they must establish measures to prevent damage caused by freezing.

Article 29 (Improvement of Generation Efficiency)

Relevant institutions, enterprises, and organizations must regularly maintain and reinforce the equipment of small and medium-sized power plants to increase the generation efficiency of turbines, wind turbines, and solar panels. They must renovate and update equipment and technical processes with low efficiency.

Article 30 (Inspection of Equipment)

Relevant institutions, enterprises, and organizations must regularly organize inspections of the equipment of small and medium-sized power plants, identify and register defective parts, and eliminate them. Defective parts that cannot be eliminated through inspection must be included in the maintenance plan.

Article 31 (Maintenance of Equipment)

Maintenance of the equipment of small and medium-sized power plants is divided into minor maintenance, medium maintenance, and major maintenance. Relevant institutions, enterprises, and organizations must accurately set maintenance plans, adhere to maintenance cycles, and ensure the operation rate of power generation facilities.

Article 32 (Disposal, Transfer, and Acquisition of Equipment)

Disposal, transfer, and acquisition of equipment of small and medium-sized power plants can only be done with the approval of the central power industry guidance institution and the equipment management supervision institution. The central power industry guidance institution and the equipment management supervision institution must review and process the approval application documents within 30 days from the date of receipt.

Article 33 (Grasping Electricity Production Performance Data)

Relevant institutions, enterprises, and organizations must regularly grasp the electricity production performance data of small and medium-sized power plants and report it to the relevant small and medium-sized power plant guidance institution and statistical institution. The small and medium-sized power plant guidance institution must grasp the electricity production performance data of regional small and medium-sized power plants and report it to the central power industry guidance institution. The central power industry guidance institution must grasp the national electricity production performance data of

small and medium-sized power plants and regularly submit it to the central planning guidance institution and the central statistical institution.

Chapter 4: Utilization of Electricity from Small and Medium-sized Power Plants

Article 34 (Basic Requirements for the Utilization of Electricity from Small and Medium-sized Power Plants)

Effective utilization of electricity produced by small and medium-sized power plants is an important task to meet the increasing demand for electricity. Small and medium-sized power plant guidance institutions and relevant institutions, enterprises, and organizations must use the electricity produced by small and medium-sized power plants to meet their own electricity needs. If they cannot meet their own electricity needs with the electricity produced by small and medium-sized power plants, they can use electricity from the national power system.

Article 35 (Connection to the National Power System)

Relevant institutions, enterprises, and organizations must connect the power system of small and medium-sized power plants to the national power system if the power plants and electricity consumers are far apart, with the approval of the central power industry guidance institution and the request of the relevant transmission and distribution institution. In this case, they must comply with the dispatch command of the central power industry guidance institution.

Article 36 (Formation of Power Systems from Multiple Small and Medium-sized Power Plants)

Electricity produced by multiple small and medium-sized power plants in one region can form one power system and be used jointly. In this case, approval from the small and medium-sized power plant guidance institution is required.

Article 37 (Supply of Surplus Electricity)

Institutions, enterprises, and organizations operating small and medium-sized power plants can supply surplus electricity to other institutions, enterprises, organizations, and residential households or put it into the national power system with the approval of the central power industry guidance institution. In this case, the institution, enterprise, or organization using the electricity must carry out the power facility construction.

Article 38 (Electricity Supply Plans and Contracts)

The small and medium-sized power plant guidance institution must prepare electricity supply plans based on the electricity production plans of small and medium-sized power

plants and implement them to relevant institutions, enterprises, and organizations. The small and medium-sized power plant guidance institution and electricity consumers, institutions, enterprises, and organizations must sign and implement contracts according to the electricity supply plans. Institutions, enterprises, and organizations connected to the national power system but receiving electricity supply plans from the small and medium-sized power plant guidance institution must sign contracts with the relevant regional transmission and distribution institution.

Article 39 (Calculation of Electricity Supply and Consumption)

The small and medium-sized power plant guidance institution and relevant institutions, enterprises, and organizations must regularly inspect electricity metering devices and accurately calculate electricity supply and consumption performance.

Article 40 (Payment of Electricity Usage Fees)

Institutions, enterprises, organizations, and citizens using electricity produced by small and medium-sized power plants must pay the prescribed electricity usage fees according to the amount of electricity supplied.

Article 41 (Application for Use of Electricity from the National Power System)

Relevant institutions, enterprises, and organizations can use electricity from the national power system if they cannot produce or lack electricity due to drought or other reasons. In this case, they must submit approval application documents to the transmission and distribution institution. The transmission and distribution institution must review and notify the results within 10 days from the date of receipt of the approval application documents.

Article 42 (Interruption of Electricity from the National Power System)

Institutions, enterprises, and organizations temporarily using electricity from the national power system must request the transmission and distribution institution to interrupt the electricity supply from the national power system when small and medium-sized power plants resume normal electricity production. They cannot receive double electricity supply.

Article 43 (Utilization of Electricity from Small and Medium-sized Power Plants Constructed by Cities and Counties)

The utilization of electricity from small and medium-sized power plants constructed by cities (districts) and counties is determined by the small and medium-sized power plant guidance institution. The small and medium-sized power plant guidance institution must accurately confirm the electricity supply targets and supply electricity.

Article 44 (Effective Utilization of Electricity)

Relevant institutions, enterprises, and organizations must rationally organize cross-production, renovate equipment and production processes to save electricity, and lower the unit consumption standards to effectively utilize the supplied electricity. Relevant institutions, enterprises, and organizations must maintain the transmission and distribution system and eliminate electricity waste caused by intermediate losses, reactive power, and excessive capacity.

Chapter 5: Guidance and Control of Small and Medium-sized Power Plant Projects

Article 45 (Basic Requirements for Guidance and Control of Small and Medium-sized Power Plant Projects)

Strengthening guidance and control of small and medium-sized power plant projects is the basic guarantee for accurately implementing the state's policies on the construction, operation, and utilization of electricity from small and medium-sized power plants. The state establishes a guidance system for small and medium-sized power plant projects and strengthens control.

Article 46 (Guidance Institutions for Small and Medium-sized Power Plant Projects)

Guidance for small and medium-sized power plant projects is done by the central power industry guidance institution under the unified guidance of the Cabinet. The central power industry guidance institution must regularly grasp and guide small and medium-sized power plant projects.

Article 47 (Guidance by Small and Medium-sized Power Plant Guidance Institutions)

The small and medium-sized power plant guidance institution must rationally organize small and medium-sized power plant projects of institutions, enterprises, and organizations in its jurisdiction. Relevant institutions, enterprises, and organizations must agree and handle issues arising from small and medium-sized power plant projects with the small and medium-sized power plant guidance institution.

Article 48 (Guarantee of Labor, Equipment, Materials, and Funds)

The national planning institution and relevant institutions, enterprises, and organizations must timely guarantee the labor, equipment, materials, and funds necessary for the construction and operation of small and medium-sized power plants. Labor, equipment, materials, and funds guaranteed for small and medium-sized power plants cannot be diverted elsewhere.

Article 49 (Supervision and Control of Small and Medium-sized Power Plant Projects)

Supervision and control of small and medium-sized power plant projects are carried out by

the central power industry guidance institution, the small and medium-sized power plant guidance institution, and the relevant supervision and control institution. The central power industry guidance institution, the small and medium-sized power plant guidance institution, and the relevant supervision and control institution must strictly supervise and control small and medium-sized power plant projects.

Article 50 (Control of Electricity Production and Utilization)

The small and medium-sized power plant guidance institution and the relevant supervision and control institution must use modern metering devices to control the electricity production and utilization of small and medium-sized power plants. Metering devices must be installed at locations designated by the relevant supervision and control institution.

Article 51 (Civil Liability)

If this law is violated and causes damage to other institutions, enterprises, organizations, or citizens, the responsible party shall bear civil liability such as penalties and compensation for damages.

Article 52 (Fines)

In the following cases, fines shall be imposed on institutions, enterprises, organizations, and citizens:

1. If false reports are made on electricity production performance: 1,000,000 to 1,500,000 won for institutions, enterprises, and organizations.
2. If electricity is wasted: 500,000 to 1,500,000 won for institutions, enterprises, and organizations; 30,000 to 100,000 won for citizens.
3. If double electricity supply is received: 700,000 to 1,000,000 won for institutions, enterprises, and organizations; 40,000 to 70,000 won for citizens.

Article 53 (Suspension of Construction, Operation, and Utilization of Electricity)

In the following cases, the construction, operation, and utilization of electricity from small and medium-sized power plants shall be suspended:

1. If construction is carried out with unreviewed and unapproved designs.
2. If construction is not carried out according to design and construction method requirements.
3. If the comprehensive inspection and completion inspection are not passed.
4. If electricity usage fees are not paid as prescribed.

Article 54 (Warnings, Severe Warnings, Unpaid Labor, Labor Education, Demotion, Dismissal, and Removal from Office)

In the following cases, responsible persons shall be given warnings, severe warnings, or punishment of unpaid labor for up to three months, labor education, demotion, dismissal, or removal from office:

1. If the quality of construction is not guaranteed or construction is not carried out according to design and construction method requirements, causing hindrance to the guarantee of the construction period.
2. If the electricity production plan is not met.
3. If the protection of power facilities or inspection and maintenance of equipment are not properly carried out, causing hindrance to electricity production.
4. If equipment is disposed of or transferred without approval.
5. If false reports are made on electricity production performance.
6. If the national power system is connected without approval to use electricity.
7. If the calculation of electricity supply and consumption is not properly carried out or electricity usage fees are not received or paid as prescribed.
8. If power lines are connected to unapproved targets.
9. If double electricity supply is received.
10. If labor, equipment, materials, and funds guaranteed for small and medium-sized power plants are diverted elsewhere.
11. If control of electricity production or utilization of small and medium-sized power plants is not properly carried out or metering devices are not installed at designated locations.

If the above actions are repeated or cause a shortfall of more than 20% in the electricity production plan or result in property damage of about 20,000 won or more, punishment of unpaid labor for more than three months, labor education, demotion, dismissal, or removal from office shall be given.

Article 55 (Criminal Liability)

If the violation of this law constitutes a crime, the responsible person shall bear criminal liability according to the relevant provisions of the criminal law.