

ACT ON ASSISTANCE TO ELECTRIC POWER PLANTS-NEIGHBORING AREAS

Act No. 4134, jun. 16, 1989
Amended by Act No. 4541, Mar. 6, 1993
Act No. 4601, Dec. 10, 1993
Act No. 4901, Jan. 5, 1995
Act No. 5282, Jan. 13, 1997
Act No. 6021, Sep. 7, 1999
Act No. 6284, Dec. 23, 2000
Act No. 7444, Mar. 31, 2005
Act No. 7631, Jul. 29, 2005
Act No. 8798, Dec. 27, 2007
Act No. 8852, Feb. 29, 2008
Act No. 10499, Mar. 30, 2011
Act No. 11690, Mar. 23, 2013
Act No. 13151, Feb. 3, 2015

Article 1 (Purpose)

The purpose of this Act is to promote the development of electric power resources, strive for the harmonious operation of electric power plants and contribute to regional development by efficiently carrying out assistance programs to the neighboring areas of electric power plants and raising public awareness of electric power business.

Article 2 (Definitions)

The term "neighboring area" means the area of a Eup/Myeon/Dong which includes the land and island located within a five kilometer radius from the location where an electric generator of an electric power plant (excluding electric power plants on multi-purpose dams under the Act on Construction of Dams and Assistance, etc. to their Environs, and electric power plants below the facility capacities prescribed by Presidential Decree depending on the types of power generation sources; hereinafter the same shall apply) is already installed or to be installed, which an operator of electric generation business under subparagraph 4 of Article 2 of the Electric Utility Act (hereinafter referred to as "operator of electric generation business") is operating or constructing or planning to construct: Provided, That in cases of hydroelectric power plants and tidal power plants, it means any area within the scope prescribed by Presidential Decree,

which is adjacent to water systems or reservoirs related to the generation of electric power. <Amended by Act No. 10499, Mar. 30, 2011>

Article 3 (Establishment of Deliberative Committee on Assistance Programs to Neighboring Areas, etc.)

(1) A Deliberative Committee on Assistance Programs to Neighboring Areas (hereinafter referred to as the "Committee") shall be established within the Ministry of Trade, Industry and Energy in order to deliberate upon important matters concerning assistance programs prescribed in Article 10 (hereinafter referred to as "assistance program"). <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) A regional deliberative committee on assistance programs to neighboring areas (hereinafter referred to as "regional committee") may be established within each electric power plant in order to deliberate upon important matters concerning assistance programs of each electric power plant: Provided, That in cases of electric power plants in a size above the size prescribed by Presidential Decree, a regional committee shall be established. <Amended by Act No. 10499, Mar. 30, 2011>

(3) Necessary matters concerning the composition, functions, and operation of the Committee and regional committees shall be determined by Presidential Decree.

Article 9 (Formulation of Plan for Assistance Programs)

(1) The Minister of Trade, Industry and Energy shall formulate an annual plan for assistance programs. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) If deemed necessary to facilitate the smooth implementation of assistance programs, the Governor of a Special Self-Governing Province and the head of a Si/Gun/Gu (referring to an autonomous Gu; hereinafter the same shall apply) having jurisdiction over a neighboring area may formulate a long-term plan for assistance programs to the neighboring area following consultation with the Minister of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 10499, Mar. 30, 2011; Act No. 11690, Mar. 23, 2013>

(3) Matters necessary to formulate plans for assistance programs, such as the details of plans under paragraphs (1) and (2) and the circumstances, etc. of an area for which a long-term plan is to be formulated, shall be prescribed by Presidential Decree.

Article 10 (Kind, etc. of Assistance Programs)

(1) The kind of assistance programs shall be as follows: <Amended by Act No. 10499, Mar. 30, 2011>

1. Basic assistance: Assistance program aimed at developing neighboring areas and enhancing residents' welfare;
2. Special assistance: Assistance program implemented for a neighboring area where an electric power plant is being constructed or prearranged to be constructed and areas of the relevant Special Self-Governing Province, Si, Gun and autonomous Gu (hereinafter referred to as "local government");
3. Public relations: Program aimed at raising public awareness of electric power business;
4. Other programs (including survey and research activities) necessary for the development of the neighboring area, its environment and security management, and the advancement of the development

of electric power resources.

(2) Specific matters concerning the details of assistance by kind of assistance programs under paragraph (1), target area, period of implementation, assistance method, etc. shall be determined by Presidential Decree.

Article 11 (Implementor of Assistance Programs)

Each assistance program shall be implemented by a person falling under any of the following subparagraphs, as prescribed by Presidential Decree: *<Amended by Act No. 8852, Feb. 29, 2008; Act No. 10499, Mar. 30, 2011; Act No. 11690, Mar. 23, 2013>*

1. The Governor of a Special Self-Governing Province or the head of a Si/Gun/Gu having jurisdiction over a neighboring area;
2. The operator of electric generation business;
3. The corporation established under Article 32 of the Civil Act for the purpose of publicity of the nuclear energy with permission from the Minister of Trade, Industry and Energy (hereinafter referred to as the "Corporation").

Article 12 Deleted. *<by Act No. 4901, Jan. 5, 1995>*

Article 13 (Financial Resources and Determination of Subsidy)

(1) Expenses incurred in implementing assistance programs shall be borne by the Electrical Industry Foundation Fund under Article 48 of the Electric Utility Act (hereinafter referred to as the "Fund").

(2) The standards for determining the amount of money subsidized from the Fund for assistance programs (hereinafter referred to as "subsidy") pursuant to paragraph (1) shall be determined by Presidential Decree, taking into consideration the type, size and amount of electricity generated by electric power plants, circumstances of the neighboring area, etc.

Article 13-2 (Local Assistance Programs Implemented by Operator of Nuclear and Hydroelectric Power Generation Business)

(1) Each operator of electric power generation business who operates a nuclear power plant or a hydroelectric power plant may implement assistance programs at his/her own expense.

(2) Where the operator of electric power generation business under paragraph (1) implements assistance programs under the same paragraph, he/she shall disclose the plan of assistance programs, the standards of designation, the results of designation and the results of ex-post settling up, etc. on the Internet homepage, etc. as prescribed by Presidential Decree. *<Newly Inserted by Act No. 13151, Feb. 3, 2015>*

(3) Matters concerning the type and scale of assistance programs, target of assistance, assistance methods, etc. under paragraph (1) shall be determined by Presidential Decree, taking into consideration the type, size, amount of electricity generated, period of operation and circumstances of the neighboring area and the operator of electric power generation business.

Article 14 (Use of Subsidies)

(1) Subsidies shall be used for the neighboring area under Article 10 (2), as prescribed by Presidential Decree: Provided, That in cases prescribed by Presidential Decree for the purposes of the efficient

implementation of assistance programs or the balanced development of areas, subsidies may be used for areas, other than the relevant neighboring area under the local government where it belongs to. In such cases, detailed matters including the type of programs and the limit of subsidies shall be determined by Presidential Decree.

(2) Where two or more local governments exercise jurisdiction over a neighboring area, subsidies shall be used, as prescribed by Presidential Decree, taking into consideration the ratio of areas over which such local governments exercise jurisdiction, the ratio of population, the distance from an electric power plant, its location, etc.: Provided, That where any extenuating circumstance exists as prescribed by Presidential Decree in terms of the distinct circumstances of the relevant area, subsidies may be used for a area deemed necessary by the Minister of Trade, Industry and Energy. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

Article 15 (Preferential Implementation of Programs)

(1) Each implementor of assistance programs shall preferentially implement assistance programs for migrators who have moved their residences and residents of the neighboring area who are deemed to have lost their living bases due to the construction of electric power plants.

(2) Assistance programs may be preferentially implemented to residents in any of the following neighboring areas: <Amended by Act No. 8852, Feb. 29, 2008; Act No. 10499, Mar. 30, 2011; Act No. 11690, Mar. 23, 2013>

1. A neighboring area for which a long-term plan under Article 9 (2) has been formulated;
2. A neighboring area of a nuclear power plant and bituminous coal power plant (limited to cases where the total installed capacity exceeds one million kilowatts, including cases where the total installed capacity exceeds one million kilowatts due to the increase in power generation facilities), the construction of which has been requested by the Governor of a Special Self-Governing Province or the head of a Si/Gun/Gu;
3. A neighboring area of a nuclear power plant in which electric generators in excess of the number determined by Ordinance of the Ministry of Trade, Industry and Energy are operating, or are scheduled to be constructed.

Article 16 (Early Use, etc. of Subsidies)

The implementor of an assistance program may use subsidies, in advance, or by carrying them forward, as prescribed by Presidential Decree, for efficiently implementing the relevant assistance program in either of the following cases: <Amended by Act No. 8852, Feb. 29, 2008; Act No. 10499, Mar. 30, 2011; Act No. 11690, Mar. 23, 2013>

1. Where an assistance program is preferentially implemented under Article 15 (2);
2. Where the Minister of Trade, Industry and Energy deems it necessary to use, in advance, or carry forward subsidies following consultation with the Governor of a Special Self-Governing Province or the head of a Si/Gun/Gu having jurisdiction over the relevant area.

Article 16-2 (Management, etc. of Subsidies)

(1) When an implementor of an assistance program under Article 11 receives a subsidy, he/she shall manage it separately from other budget accounts.

(2) Interest accrued from managing a subsidy under paragraph (1) shall be carried forward to the following year to be used, after the settlement of accounts each fiscal year. <Amended by Act No. 10499, Mar. 30, 2011>

(3) Out of the subsidies for public relations programs under Article 10 (1) 3, subsidies for the Corporation established under subparagraph 3 of Article 11 shall be deemed to have been contributed.

Article 16-3 (Suspension of Assistance Programs)

The Minister of Trade, Industry and Energy may issue an order to suspend the relevant assistance program following deliberation by the Committee when either of the following causes arises: <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

1. Where it is no longer necessary to continue an assistance program since the construction or operation of a power plant is suspended for a period prescribed by Presidential Decree;
2. Where it becomes impractical to achieve the objectives of the assistance program since the implementor of the assistance program under Article 11 fails to carry it out pursuant to the plan for assistance program under Article 9.

Article 16-4 (Recovery, etc. of Subsidies)

(1) Where an assistance program is suspended pursuant to Article 16-3, the Minister of Trade, Industry and Energy may recover a subsidy already provided to the implementor of the assistance program but not yet used, or refuse to subsidize in the following year the amount equivalent to that of the subsidy not used. In such cases, the unused portion of the interest accrued from managing the subsidy provided to the implementor of the assistance program pursuant to Article 16-2 (1) shall be paid to the Fund. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 10499, Mar. 30, 2011; Act No. 11690, Mar. 23, 2013>

(2) In either of the following cases, the Minister of Trade, Industry and Energy may distribute to the implementor of the relevant assistance program a subsidy recovered or an amount determined not to be subsidized in the following year pursuant to paragraph (1) by curtailing them by ten percents following deliberation by the Committee: <Amended by Act No. 8852, Feb. 29, 2008; Act No. 10499, Mar. 30, 2011; Act No. 11690, Mar. 23, 2013>

1. Where the reason for suspending the relevant assistance program ceases to exist;
2. Where it is necessary for carrying out a new assistance program.

(3) Detailed matters concerning procedures, etc. to recover or pay subsidies under paragraphs (1) and (2) shall be determined by Presidential Decree.

(4) An amount curtailed pursuant to paragraph (2) may be used for programs of which subsidies are increased according to the results of evaluation referred to in Article 16-5. <Newly Inserted by Act No. 10499, Mar. 30, 2011>

Article 16-5 (Evaluation of Assistance Programs)

(1) The Minister of Trade, Industry and Energy may evaluate assistance programs. <Amended by Act No. 11690, Mar. 23, 2013>

(2) The Minister of Trade, Industry and Energy may entrust evaluation referred to in paragraph (1) to corporations or organizations referred to in Article 52 (2) of the Electric Utility Act which are prescribed by Presidential Decree, institutions, etc. specializing in opinion surveys determined by the Minister of Trade, Industry and Energy. <Amended by Act No. 11690, Mar. 23, 2013>

(3) The Minister of Trade, Industry and Energy may provide the increased or decreased amounts of subsidies according to the ratio prescribed by Presidential Decree within the scope not exceeding ten percents of the subsidies according to the results of evaluation referred to in paragraph (1). <Amended by Act No. 11690, Mar. 23, 2013>

(4) Other matters necessary for the evaluation of assistance programs, other than those provided for in paragraphs (1) through (3) shall be prescribed by Presidential Decree.

Article 17 (Preferential Employment of Local Residents)

An operator of electric generation business may preferentially employ migrators and residents in a neighboring area, as prescribed by Article 15.

Article 17-2 (Preferential Treatment of Local Enterprises)

When an operator of electric generation business enters into a contract for construction works, commodities, services, etc. prescribed by Presidential Decree, he/she may preferentially treat persons having the principal office placed under the control of the local government having jurisdiction over the relevant neighboring area, as prescribed by Presidential Decree.

Article 18 (Statement of Settlement Accounts)

Each implementor of an assistance program shall prepare an annual statement of settlement accounts for such assistance program and submit it to the Minister of Trade, Industry and Energy by not later than February 10 of the following year. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

Article 19 (Reporting and Inspection, etc.)

(1) If deemed necessary for the enforcement of this Act, the Minister of Trade, Industry and Energy may have an implementor of an assistance program report thereon or order him/her to submit materials and have a public official under his/her jurisdiction inspect affairs concerning the relevant assistance program. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>

(2) A public official who conducts an inspection under paragraph (1) shall produce a certificate indicating his/her authority to relevant persons.

Article 20 (Fines for Negligence)

(1) Where an operator of electric generation business or the Corporation falls under any of the following subparagraphs, he/she or it shall be sentenced to a fine for negligence not exceeding five million won:

1. Where he/she or it fails to make a report, as prescribed in Article 19 (1) or makes a false report;
2. Where he/she or it fails to submit materials, as prescribed in Article 19 (1) or submits false materials;

3. Where he/she or it refuses, interferes with, or evades an inspection as prescribed in Article 19 (1).
(2) Fines for negligence prescribed in paragraph (1) shall be imposed and collected by the Minister of Trade, Industry and Energy, as prescribed by Presidential Decree. <Amended by Act No. 8852, Feb. 29, 2008; Act No. 11690, Mar. 23, 2013>
(3) through (5) Deleted. <by Act No. 10499, Mar. 30, 2011>

Article 21 (Legal Fiction as Public Official in Application of Penal Provisions)

Operators of electric generation business and executives and employees of the Corporation who implement assistance programs under subparagraph 2 or 3 of Article 11 shall be deemed public officials in applying Articles 129 through 132 of the Criminal Act.

ADDENDUM

This Act shall enter into force on January 1, 1990.

ADDENDA <Act No. 4541, Mar. 6, 1993>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 5 Omitted.

ADDENDA <Act No. 4601, Dec. 10, 1993>

- (1) (Enforcement Date) This Act shall enter into force six months after the date of its promulgation.
(2) through (4) Omitted.

ADDENDUM <Act No. 4901, Jan. 5, 1995>

This Act shall enter into force on July 1, 1995.

ADDENDA <Act No. 5282, Jan. 13, 1997>

Article 1 (Enforcement Date)

This Act shall enter into force on April 1, 1997.

Article 2 (Repeal of other Acts)

The Act on the Promotion of Radioactive Wastes Control Projects and Assistance to the Adjoining Areas is hereby repealed.

Article 3 (Transitional Measures concerning Deliberative Committee on Assistance Programs to Electric Power Plants-Neighboring Areas and Regional Deliberative Committee on Assistance Programs to Electric Power Plants-Neighboring Areas)

The Deliberative Committee on Assistance Programs to Electric Power Plants-Neighboring Areas and regional deliberative committees on assistance programs to electric power plants-neighboring areas under the former provisions of Article 3 as at the time this Act enters into force, shall be respectively

deemed the Committee and regional committees under the amendment provisions of Article 3.

Article 4 (Transitional Measures concerning Fund for Assistance Programs to Electric Power Plants-Neighboring Areas)

The fund for the assistance program to electric power plants-neighboring areas under the former provisions of Article 4 as at the time this Act enters into force, shall be deemed the Fund under the amended provisions of Article 4.

ADDENDA <Act No. 6021, Sep. 7, 1999>

Article 1 (Enforcement Date)

This Act shall enter into force six days after the date of its promulgation.

Articles 2 through 13 Omitted.

ADDENDA <Act No. 6284, Dec. 23, 2000>

Article 1 (Enforcement Date)

This Act shall enter into force two months after the date of its promulgation: Provided, That the amended provisions of Articles 3 through 9, 11, 13 and 14, subparagraph 2 of Article 16, Articles 18, 20 and 21 shall enter into force on January 1, 2002.

Article 2 (Transitional Measures on Regional Committees)

Regional deliberative committees on assistance programs to neighboring areas established under the former provisions of Article 3 (2) as at the time this Act enters into force shall be deemed established under this Act.

Article 3 (Transitional Measures following Abolishment of Fund for Assistance Program to Neighboring Area)

The Electrical Industry Foundation Fund to be established under Article 48 of the Electric Utility Act shall succeed the property, claims and liabilities, and other rights and obligations belonging to the Fund for the Assistance Program to the Neighboring Area to be abolished by the enforcement of this Act.

Article 4 (Transitional Measures on Fines for Negligence)

In applying fines for negligence to the offenses committed before this Act enters into force, the former provisions shall govern.

Article 5 Omitted.

ADDENDA <Act No. 7444, Mar. 31, 2005>

(1) (Enforcement Date) This Act shall enter into force on the date when a region to be established with the first disposition facilities is designated and notified as a prearranged zone for electric power resource development business in accordance with Article 11 of the Electric Power Source Development Promotion Act. (Proviso Omitted.)

(2) and (3) Omitted.

ADDENDA <Act No. 7631, Jul. 29, 2005>

(1) (Enforcement Date) This Act shall enter into force on January 1, 2006: Provided, That the amended provisions of Article 13 (2) shall enter into force on the date of its promulgation.

(2) (Applicability to Standards for Determining Subsidies) The standards for determining subsidies under the amended provisions of Article 13 (2) shall apply beginning with the determination of subsidies for the year 2006.

(3) (Transitional Measures concerning Changes to Kind of Assistance Programs) The resident welfare assistance program and business firm inducement assistance program under the former provisions of Article 10 (1) 3 and 5 as at the time this Act enters into force shall be deemed the basic assistance program under the amended provisions of Article 10 (1) 1.

ADDENDUM <Act No. 8798, Dec. 27, 2007>

This Act shall enter into force on the date of its promulgation.

ADDENDA <Act No. 8852, Feb. 29, 2008>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 7 Omitted.

ADDENDUM <Act No. 10499, Mar. 30, 2011>

This Act shall enter into force on January 1, 2012.

ADDENDA <Act No. 11690, Mar. 23, 2013>

Article 1 (Enforcement Date)

(1) This Act shall enter into force on the date of its promulgation.

(2) Omitted.

Articles 2 through 7 Omitted.

ADDENDUM <Act No. 13151, Feb. 3, 2015>

This Act shall enter into force three months after the date of its promulgation.