

According to the information from the Special State Prosecutor's Office, EPCG sold electricity to Toscelik at significantly lower prices than other consumers in the same category, which is a possible criminal offense of abuse of office in the business to the detriment of the state energy company. Toscelik steel mill, owned by Turkish Tosyali Holding, is privately owned company, while the Railway Infrastructure company is a public enterprise.

Based on the complaint filed by the Ministry for Capital Investments, the prosecutors are investigating the contracts for the sale of electricity of power utility EPCG. According to the complaint, state-owned Railway Infrastructure paid 30 to 50 % higher electricity prices than Toscelik steel mill, although both companies are in the same category of consumers. According to 2018 contract, Toscelik was paying 4.695 eurocents/kWh in so-called higher tariff, while the price for Railway Infrastructure was 5.4879 eurocents/kWh. The trend continued in 2019, when Toscelik was paying 4.9767 eurocents/kWh, slightly lower than the public enterprise. However, in 2020, the new contract lowered the price for Toscelik to 2.347 eurocents/kWh in both lower and higher tariffs, while the price for Railway Infrastructure remained the same. Furthermore, 68.9 % of electricity consumed by Toscelik was charged at lower, night tariff, while just 31.1 % at higher tariff.

In this three-year period, a total of 115 million kWh of electricity was delivered to Toscelik, so potential damages to state-owned power utility amounts to 2-3 million euros. The information provided by the Ministry said that there are grounds for suspicion that the management of EPCG concluded contracts on electricity supply with Toscelik to the direct detriment of the company, by negotiating a lower price for electricity. This, as it is considered, deprived the state energy company of significant revenues, and at the same time enabled the benefit for the private company Toscelik.

The extraordinary shareholders' assembly is scheduled for 16 March, when it is expected that the company's Board of Directors will be dismissed.