



# **HUNGARIAN MARKET SUMMARY**

## **AFEER 2023 CONFERENCE**

**Bucharest, 30/03/2023**



# HU market developments in 2023

- **Wholesale market:**
  - **Drastic drop in liquidity of forward markets**
  - **Sustainability of financing (margining)**
- **Retail market**
  - **Customers delaying tenders in hopes of price decrease > extreme rush at the end of the year**
  - **Paradigm shift in the market / change in business models**
    - **customers shocked**
    - **Very short validity of offers**
    - **Collateral/prepayment requirements for most customers**
    - **Scarcity of offers for non-US eligible micro customers**
    - **Strict contractual terms expected to remain despite price drop**
  - **Price drop in 2023: statutory price fixing option Q2-Q423**
    - **municipalities,**
    - **state owned consumers**

# HU specifics

## Emergency measures



- **Public institutions no longer eligible for US tariff as of 01.02.22., only SME's and household customers (to relieve USP)**
- **Discounts decreased for household customers and SME's eligible for US as of 01.08.22. (to relieve USP)**
- **2 prices for household US customers as of 01.08.22. (net energy fee):**
  - **up to avg household consumption (2523 kWh/a.) ~12,5 EUR/MWh**
  - **above AVG: ~79 EUR/MWh**
- **2 prices for SME's as of 01.08.22.**
  - **up to 4606 kWh/a ~124 EUR/MWh**
  - **above ~263 EUR/MWh**
- **Some consumers regained eligibility for US as of 10.11.22.:**
  - **municipalities + etc. (mainly use of household purposes)**
  - **church owned premises used for household purposes**



## HU financing needs of US scheme

- **Gains on renewable subsidy scheme (KÁT, METÁR) channelled exclusively into US from 04.01.22.  
(03.2022. refund to BRP's: cca EUR 22/MWh)**
- **Windfall taxes (renewables [65%], Balancing Service Providers [13%], oil product producers [refineries 25%])**
- **Extra taxes (telecom, pharmaceuticals, financial institutions, insurance companies, FMCG, casinos etc.)**

## RES news

- **No available grid capacity for new RES-e connections as of 01.05.22.**
  - **Exemption: aFRR accreditation required as of 15.07.22.**
- **Feed in of new micro RES-e suspended as of 31.10.22.**
- **Existing micro RES-e: changes in rules of netting pending**



**THANK YOU FOR YOUR  
ATTENTION!**