



**AFEER 2024**

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# RETAIL DEVELOPMENTS

**Commodity price drop ->market calmed down:**

- lower collateral requirement
- fixed prices are back

**Power price cap at EUR 200/MWh**

- only certain production industries for H2 23 with fixed price contracts
- 2M EUR limit of state aid per cpty
- Suppliers compensated by the State
- FX losses by suppliers

**Consumer attitude is changing - Indexed retail prices remain for 2024 (great win for 2023)**

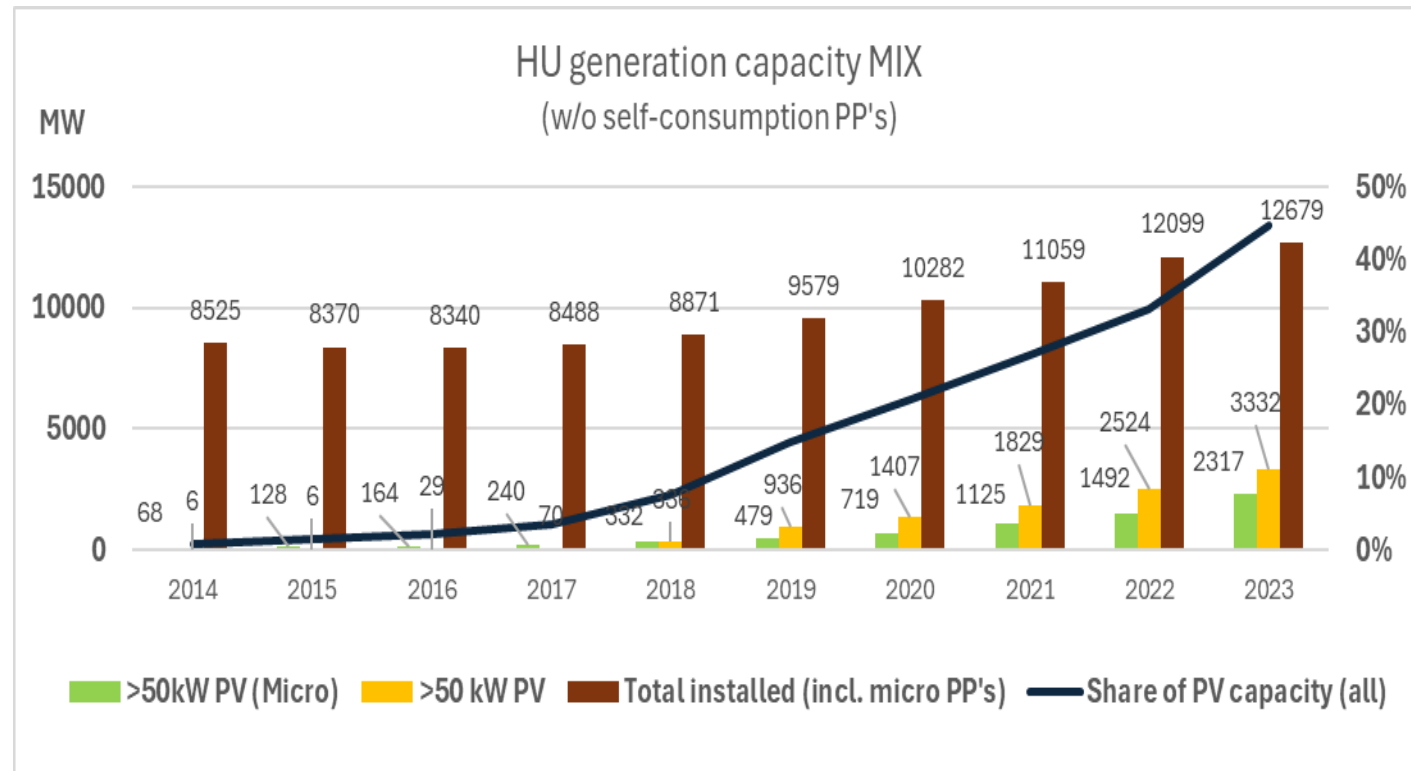
**Short term (1-2years) PPA's with PV's (scheduled delivery) for ESG considerations**



# PV PRODUCTION BOOM + WIND

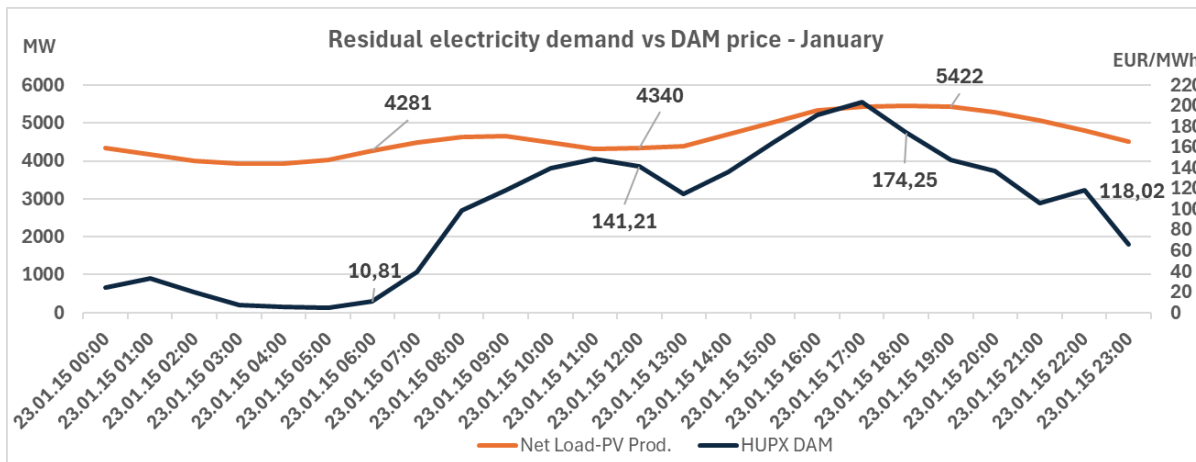
- **2023 - 5650 MW**, 45% share of PV's in total generation capacity by 2023 (w/o self consumption PV's)
- **2024 - 6000 MW** (2030 target)
- **2317 MW Micro PV** (41% of all PV's) („household-sized”) PV's (<50kW)  
**55% YoY** increase of micro PV capacity
- **3332 MW Industrial size PV's** 2626 MW (79%) in feed-in tariff („KÁT”); 164 MW (5%) CfD („METÁR”)

- **Wind 330 MW > 1 000 MW**
- **Disputes on locations and grid access**



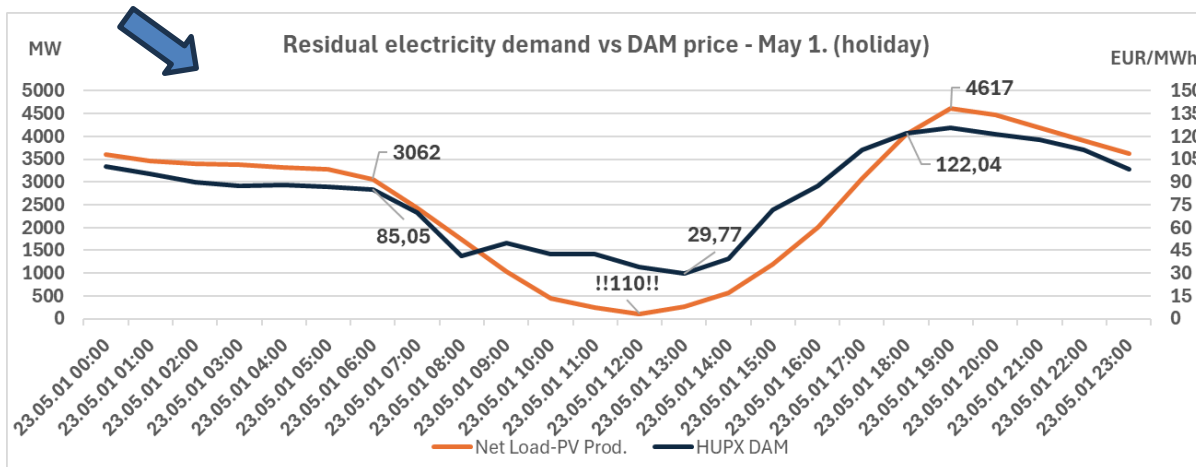


# EFFECTS ON RESIDUAL DEMAND

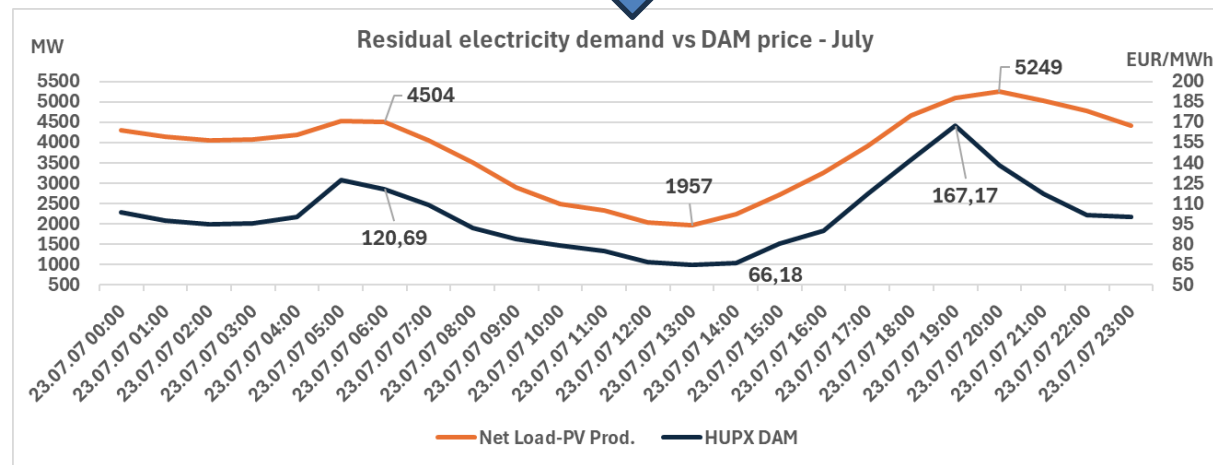


← No significant drop in residual demand

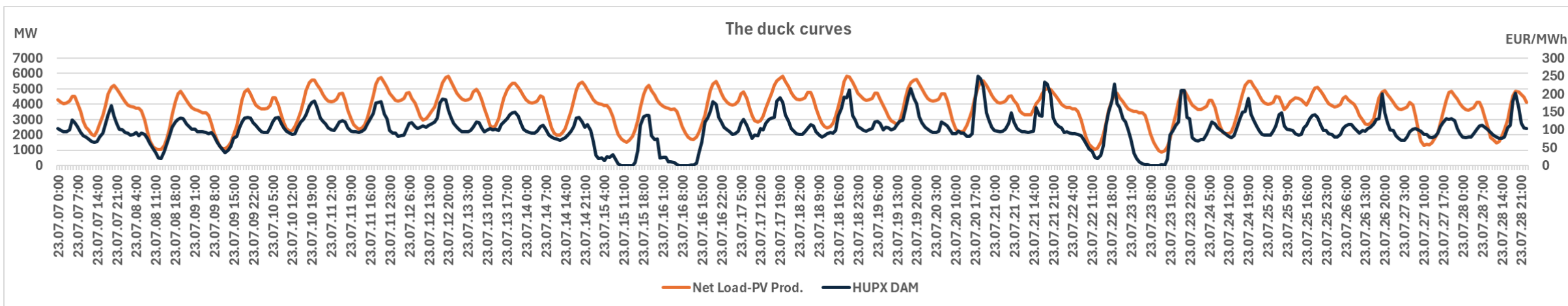
Only 110 MW residual demand on May 1, 12:00



Typical „duck curve”



## ... AND PRICE



**Strong correlation between remaining demand (and PV production) and DAM price**

**PV profile less and less valuable: in 2023 74 hours with negative value on HUPX DAM**

**PV target for 2030:12 000MW**

**PV will remain (or become more) predominant**



# MICRO PV'S

**Micro PV annual netting only for 10 years**

**No netting for micro PV's with installation approval after 07.09.23.**

**Takeover price for extra production injected into system is HUF 5/KWh (cca EUR 13/MWh)**

**ROI for gross settlement of micro PV's is very low**

**Administrative measures planned to remedy the situation**

- **Split consumption (stay in US with a subsidized price) and extra generation (sell on the free market)**
- **Energy communities – are they a real solution?**

**Batteries:**

- **New form of subsidies for micro PV's with battery**
- **Tender for industry sized batteries: installation + CfD; cca 400MW**



**THANK YOU FOR YOUR  
ATTENTION!**