Australia solar power hungary

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Solar power in Hungary has been rapidly advancing due to government support and declining system prices. By the end of 2023 Hungary had just over 5.8 GW of photovoltaics capacity, a massive increase from a decade prior.[1] Relatedly, solar power accounted for 18.4% of the country"s electricity generation in 2023, up from less than 0.1% in 2010.[2]

In 2023, the country"s Minister of Energy, Csaba Lantos, predicted Hungary"s target for 6,000 MW of PV capacity by 2030 would likely be exceeded twice over, hitting 12,000 MW instead.[3][4]

PV deployment is gathering pace in the EU member state but grid capacity shortfalls and unpredictable shifts in government policy need to be addressed if the nation is to harness its full solar - and European energy security - potential.

Solar momentum is building in Hungary with almost 4 GW of generation capacity, more than 2.5 GW of which is from arrays bigger than 50 kW in scale, according to data published in December by the Hungarian Energetic and Public Utilities Regulatory Authority.

These figures demonstrate significant demand for clean, affordable solar energy but the rapid expansion of PV has outpaced the ability of an under-developed national grid to keep up, with ramifications for regulation, a slowing in energy investment and even falls in the value of the forint.

The Hungarian operation of German energy company E.ON in January announced plans for a EUR190 million ($201 million) investment into its grid network, partly financed by the EU, to open up 700 MW of grid capacity by 2026. State-owned peer MVM Group and Swiss-owned gas company Opus Tit?sz have announced HUF 96.6 billion ($258 million) of grid investment plans.

In April 2021, the lack of network capacity prompted a ban on licences for solar plants above 50 kW in scale. Below that size, grid-connected household self-consumption arrays were permitted and industrial arrays can still be approved, albeit for self-consumption only and often requiring energy storage.

In May, national transmission system operator (TSO) Magyar Villamosenergia-Ipari Atviteli Rendszeriranyito (Mavir) announced there is no free grid capacity to back tenders. That means new solar plants can only be permitted via a “unique procedure," under which the TSO issues specific conditions for eligibility, usually requiring developers to fund any necessary grid infrastructure. Even then, eligible projects must fulfill “exemption conditions" which lack transparency.

In October, the Hungarian government introduced a provision for small, household-sized solar power plants

that fundamentally transformed the Hungarian solar market. Since Oct. 31, the aforementioned, sub-50 kW, grid-connected household systems could no longer have a grid connection and could only be used for self-consumption.

That effectively means such systems will only have value if paired with energy storage. The inevitable impact on the market prompted the Ministry of Energy to state, in early February, that it will review the "small-scale solar panel stop" measure.

Hungary, of course, is not the only nation to experience grid capacity shortages caused by the rapid emergence of renewable energy generation - similar problems have occurred in Germany and Romania - the unpredictable, at times ad hoc nature of Hungarian energy regulation indicates the market is under intense scrutiny in Budapest.

The EU could play a significant part in helping prepare the Hungarian grid for more renewables capacity by resolving its dispute with Viktor Orb?n"s government and releasing the funds approved for allocation to the country under the bloc"s Covid recovery fund.