

## STEPS, CONTRACTS AND LICENSES TO ESTABLISH A PVPP IN HUNGARY

The below summary is based on the applicable Hungarian, EU and international laws. However, the statements and summaries are not intended to be an exhaustive explanation of the relevant Hungarian, EU and international legal provisions.

It is not to be used, circulated, quoted or otherwise referred to without our prior written consent. If you have any questions about more detailed factual and legal issues that require particular consideration or advice, please do not hesitate to contact us: [info@ratkynet.hu](mailto:info@ratkynet.hu).

#	Task	Necessity	Competent authority / contracting party (if any)	Estimated period (from date of submission)	Estimated costs and fees payable to authorities
1.	Arrangement of land use / property rights	in any case	territorially competent land registry office	approx. 30 days	HUF 6,600 / land
2.	Construction permit	in any case (see exception below)	territorially competent district office	approx. 21 days	<b>duty:</b> HUF 5,000 + HUF 10,000 / 100 sqm on each land; <b>procedural fee:</b> ≤0.5 MW: HUF 100,000 0,5 – 5 MW: HUF 300,000 5 – 10 MW: HUF 500,000 10 – 25 MW: HUF 750,000 25 – 50 MW: HUF 850,000
3.	Environmental permit	no need (see exception below)	-	-	if necessary, HUF 5,000
4.	Network connection agreement	in any case	regional DSO	approx. 15 days	N/A

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5.	Aggregate small power plant license <sup>1</sup>	if peak capacity $\geq 0.5$ MW	Hungarian Energy and Public Utility Regulatory Authority ("HEO")	approx. 30 days	0.5 – 5 MW: HUF 500,000 5 – 20 MW: HUF 1 million >20 MW: HUF 2.5 million
6.	Management / submission of KÁT / METÁR applications	In case a project NOT already approved within KÁT / METÁR system is taken over, but the generated electricity is intended to be sold under KÁT / METÁR system. In case of a takeover of a project admitted to KÁT / METÁR system, the compliance of already prescribed conditions and deadlines is crucial.	HEO	30 days	HUF 49,000 / HUF 99,000
7.	Network use agreement	in any case	DSO (/TSO)	3 days	N/A
8.	Operational agreement	in any case	DSO (/TSO)	approx. 15 days	N/A
9.	Notification on the proposed installation and the intended starting date of commercial operation <sup>2</sup>	if peak capacity $\geq 0.5$ MW	HEO	60 days before installation	N/A
10.	Balance circle agreement	in any case	TSO (for METÁR, KÁT) or any responsible company	usually approx. 30 days	N/A
11.	Separate permission for operation	if peak capacity reaches at least 50 MW	HEO	30 days	50 – 200 MW: HUF 400,000 >200 MW: HUF 800,000

<sup>1</sup> applicable to all projects, including PV projects in the country regardless it's inside of the subsidy scheme or not, if peak capacity  $\geq 0.5$  MW

<sup>2</sup> applicable to all projects, including PV projects in the country regardless it's inside of the subsidy scheme or not, if peak capacity  $\geq 0.5$  MW

12.	Notification on the fact of installation and the start of commercial operation	if peak capacity reaches at least 0.5 MW	HEO	within 30 days	N/A
13.	Occupancy permit	in any case	territorially competent district office	90 days following installation	the same duty as of construction permit

Exceptions referred above:

- a) No building or occupancy permit is required
- for the construction of a micro power plant with an interconnection capacity of 50 kVA or less at any given connection point, provided that the combined interconnection capacity at that connection point may not exceed 50 kVA;
  - for the construction of a micro power plant with a nominal generation capacity not exceeding 0.5 MW (irrespective of being within or outside feed-in-tariff), if it is not connected to an electrical installation for the purpose of input, with the exception of protected sites and Natura 2000 areas;
  - a PVPP not being subject to construction permits may be constructed if it meets
    - all legal provisions of construction, including municipal construction codes and regulations plans, as well;
    - national settlement and construction requirements.
- b) Environmental permit may be required
- in case of overhead power lines (in Hungarian: “légvezeték”) exceeding 35kV depending on the decision of the environmental authority in the preliminary investigation including such a power line in the list of activities subject to environmental impact assessment.