Summary of the evaluation of national systems for guarantees of origin for electricity from renewable sources (GO) and for electricity labelling for the purpose of a decision on the recognition of imported guarantees of origin on behalf of the Federal Environment Agency (UBA)

# Hungary

## Introduction

The German Federal Environment Agency (UBA) currently examines whether guarantees of origin for electricity from renewable sources (GO) from other Member States of the European Union and other states can in principle be recognised under Article 19 Directive (EU) 2018/2001 (RES Directive). The evaluation of the legal and practical implementation of the national systems for guarantees of origin and for electricity disclosure is supported by a consortium of external contractors (Öko-Institut e. V. and Becker Büttner Held PartGmbB (BBH)).

#### General

As of 15 August 2022, the assessment of the available information on system-related issues does not lead to reasonable doubts as to the reliability or veracity of GOs issued in and imported from Hungary, so that, in accordance with Article 19 RES Directive, there currently do not appear to be any reasons for not recognising such GOs.

## **Specifics**

Hungarian GOs fulfil (partly with restrictions) all criteria according to Article 19 RES Directive.

GOs are issued for the **standard size of 1 MWh** of net electricity generation and are **used exclusively for the purpose of electricity disclosure**. In electricity disclosure, renewable sources are clearly distinguished from other electricity sources. For electricity from renewable sources for which public support is claimed, either no GOs are issued or the **market value is taken into account through market or administrative mechanisms in determining the level of support**.

Electricity from renewable sources can be labeled in the fuel mix **solely on the basis of the national residual mix or by cancellation of GOs** (in the case of non-EECS GO also by ex-domain cancellation).

The Hungarian regulator MEKH (Hungarian Energy and Public Utilities Regulatory Authority) calculates the **residual mix according to the RE-DISS methodology**, which avoids double counting.

GOs are **not used to meet the mandatory targets of Article 3** RES Directive for renewable energy, **nor do they affect the calculation of gross energy consumption**.

GOs for renewable electricity generation from high-efficiency cogeneration can be issued as **combined RES-CHP GOs**. They **expire 12 months after the end of the generation period** (which is not longer than one month), unless they are cancelled or exported before then.

The regulations in force in Hungary, and in particular the EECS Rules, which are applied, ensure accurate, reliable and fraud-proof issuance, transfer and cancellation of GOs. There is no indication that MEKH is in breach of these rules. In particular, it is ensured that GOs are used only once and that the registry technically avoids further use of the GO after cancellation, expiry or export of the GO.

MEKH is the **only body in Hungary responsible for issuing GOs**. It is independent of production, trade and supply.

GOs are **issued for the net production of electricity** (excluding own consumption) used by final consumers. The amount of net production is verified on the basis of the meter readings obtained by the grid operators. The Hungarian regulations contain provisions both for the correction of incorrect GOs and for incorrect or outdated registered data of production devices.

Hungarian GOs contain all the information required by Article 19(7) of the RES Directive.

Therefore, there are currently **no reasonable doubts about the accuracy, reliability or veracity of Hungarian GOs in relation to system-related issues**. Thus, Hungarian GOs can generally be recognized.

## **Critical aspects**

No critical aspects were identified in the organisation of the systems for GOs and for electricity disclosure.

## Reasons for non-recognition

None.

### Note:

This summary, published by the Federal Environment Agency (UBA), was prepared on the basis of the project-related contractual relationship between the Federal Environment Agency (UBA) and Öko-Institut e.V.. Publication or dissemination of the summary to third parties does not create any legal relationship between Öko-Institut e.V. and/or BBH and the respective third party; in particular, no legal mandate or consultancy contract is issued. Although due care has been taken in the preparation of this summary, neither Öko-Institut e.V. nor BBH makes any warranty, assumes any liability or accepts any responsibility with regard to its contents vis-à-vis third parties. Öko-Institut e.V. and BBH are under no obligation to third parties to provide additional information or explanations regarding the content of the summaries.

### **Imprint**

### **Publisher**

Umweltbundesamt Wörlitzer Platz 1 06844 Dessau-Roßlau Tel: +49 340-2103-0

Fax: +49 340-2103-2285 buergerservice@uba.de

Internet:

www.umweltbundesamt.de

f/umweltbundesamt.de

**y**/umweltbundesamt

## **Authors, Institutions**

Dominik Seebach, Dr. Marion Wingenbach Öko-Institut e.V. Merzhauser Straße 173 79100 Freiburg

Dr. Wieland Lehnert, Johanna Wilhelmina Mamerow Becker Büttner Held PartGmbB Magazinstraße 15-16 10179 Berlin

Completion: 08/2022