



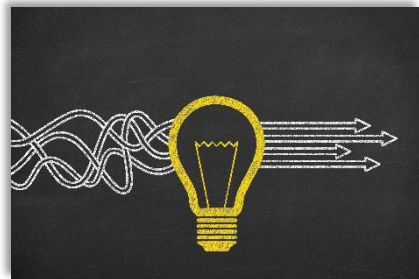
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HUNGARIAN  
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# PHOTOVOLTAIC POWER PLANT FINANCING

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## 5 YEAR STRATEGY

2017-2020 PROGRAMMING PERIOD



## ADDITIONAL FUNDING TO THE ECONOMY

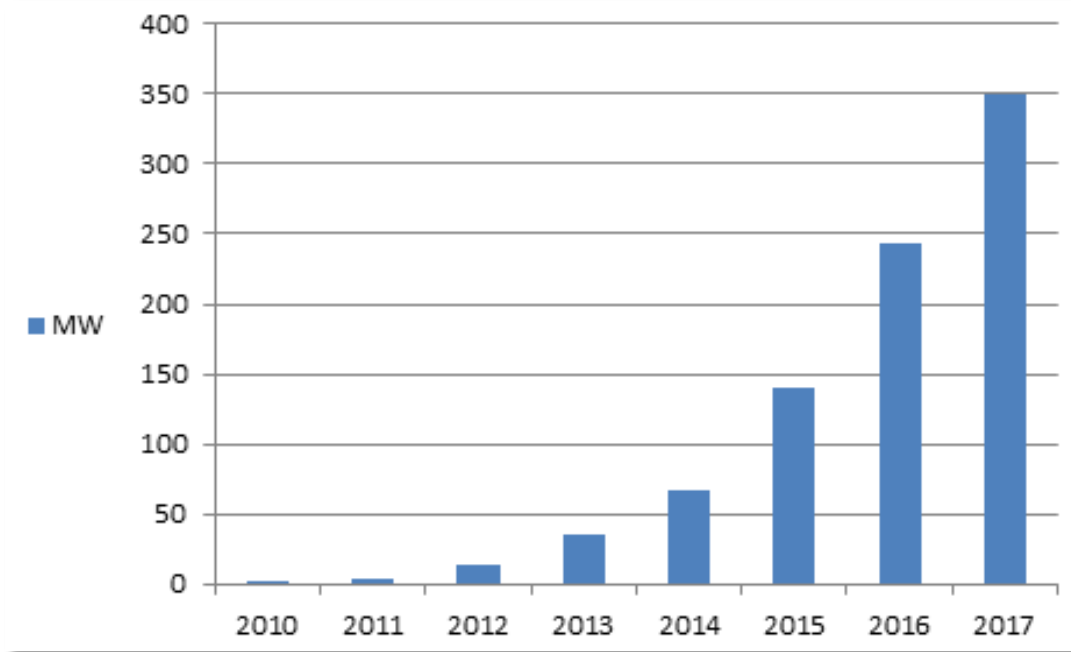
OWN/EU SOURCE



## CLOSING FINANCING GAPS

# 25 YEARS

## Gross electricity production from PV source between 2010 - 2017



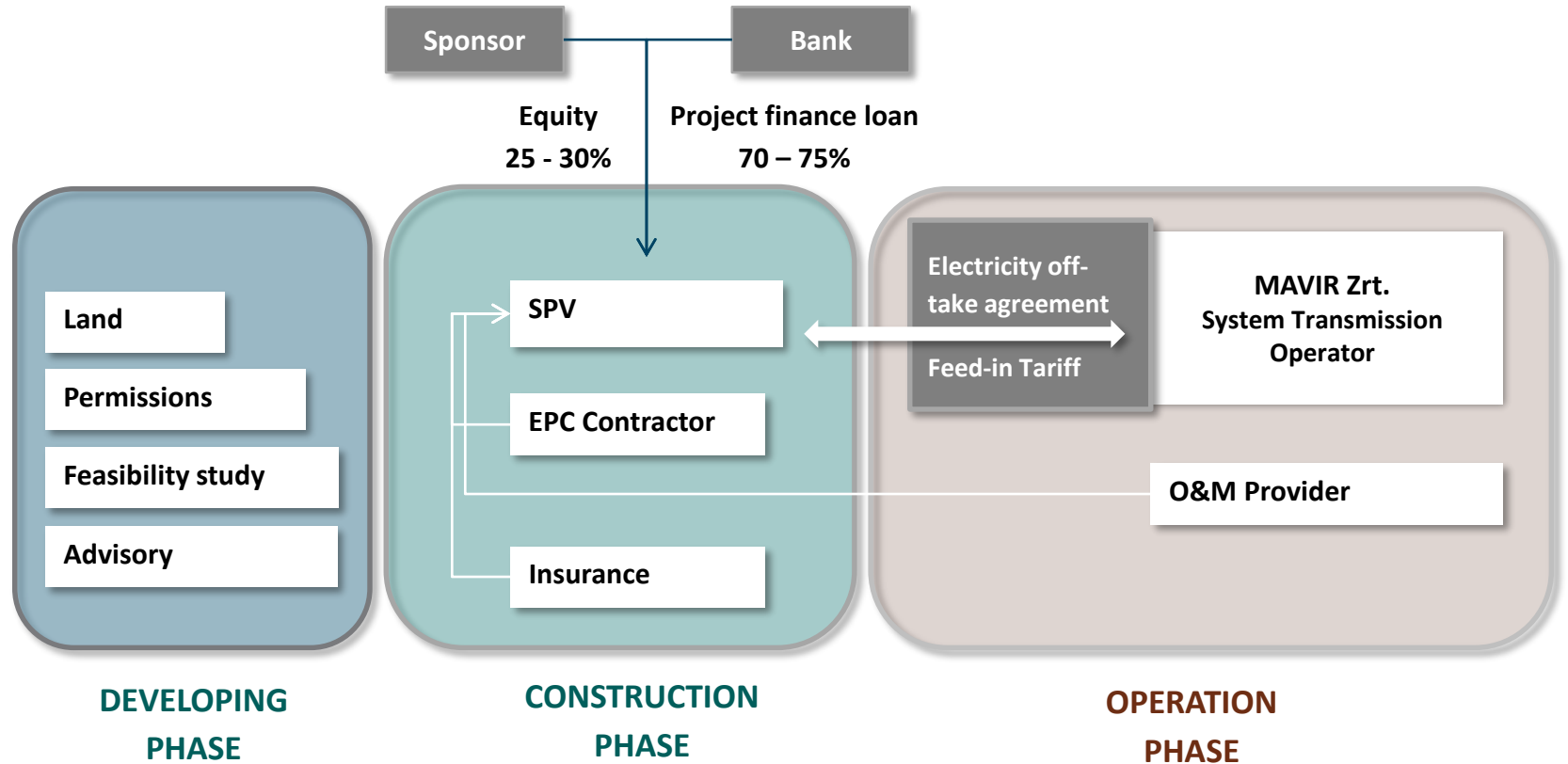
Source: Hungarian Energy And Public Utility Regulatory Authority

# REASONS BEHIND THE GROWTH

- Political Willingness (in line with the EU Commission requirements)
- National Renewable Energy Action Plan
- Mandatory electricity takeover system KÁT /METÁR
- Price of panels dropped dramatically
- Favourable financing environment
- Relatively high and predictable profit/return



# SIMPLIFIED SCHEME OF FINANCING PHOTOVOLTAIC DEVELOPMENTS



# MAIN FINANCING TERMS OF PHOTOVOLTAIC POWER PLANTS

MAIN FINANCING TERMS	
Total budget	<b>HUF 180 - 200M / 0,5 MW</b>
Equity	<b>min. 25%</b>
Loan	<b>up to HUF 140M / 0,5MW</b>
Tenor	<b>13 - 15 year</b>
Repayment profile	<b>annuity</b>
DSCR	<b>min. 1,20</b>
Availability	<b>6 - 9 months</b>
Grace period	<b>6 - 12 months</b>
Accounts:	<b>Revenue account (usually escrow) DSRA - min. 6 months MRA - linked to O&amp;M profile</b>

# DIFFERENT CATEGORIES OF SUBSIDIES

	KÁT	METÁR	Green premium Without tender	Green premium With tender
Validity	Until 31 December 2016	January 1, 2017		
Built-in capacity	Below 50 megawatts	Below 50 megawatts	500-1000 kW	Above 1 megawatt
Source of energy	Every renewable	All renewable except wind energy		Every renewable
Purchase price	Fixed regulated price without tender			Tender
Off-take period	25 years	13 years + 1 month	12 years + 7 months	
Rate of support	100% regulated price	100% regulated price	Administrative Premium	Bidder Premium
			Reference market price	Reference market price
			Equalizing energy cost	



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**THANK YOU FOR YOUR ATTENTION!**