



D2.4 First draft of final CHP roadmap **HUNGARY**

May 2013

The Eastern Europe CODE2 Region draft roadmap for non-pilot Member States.

*The CODE2 Region 'Eastern Europe' comprises the following Member States:
Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia.*



Introduction

The draft Roadmap for the non-pilot Member State Hungary in the Eastern Europe CODE2 Region is submitted separately. The following update covers the non-pilot Member States.

A three parts structure has been agreed for the roadmaps:

- 1) Where are we now? Background and situation of cogeneration in the Member State
- 2) What is possible? Cogeneration potential and market opportunities
- 3) How do we arrive there: the Roadmap

Following the Eastern Europe CODE2 Region Workshop, the format and final content outline for the individual non-pilot Roadmaps will be finalised. All of the Roadmaps for the Region will be available in September 2014.

What follows gives an overview of the progress on the Roadmaps for non-pilot Member States in the Region following the structure of the final Roadmap.

Chapter 1 - Where are we now? Background and situation of cogeneration in the Member State

1.1, 1.2, 1.3 Current status, Energy and Climate Strategy, Policy Development

Status of information gathering	<p>All major available studies and reports were reviewed:</p> <ul style="list-style-type: none">• Ministry of National Development , Energy Office: Report on the implementation of Articles 6(3) and 10(2) of Directive 2004/8/EC of the EP and of the Council on the promotion of cogeneration and amending Directive 92/42/EEC, 2011• Second National Energy Efficiency Action Plan of Hungary until 2016 with an outlook to 2020, 2011• EU Handbook CHP Markets, Cross Border Bioenergy project, October 2012• EU Handbook District Heating Markets, Cross Border Bioenergy project, October 2012• District heating and cooling, Country by country 2009 survey, Euroheat & Power• The state of renewable energy in Europe 2012, 12th EurObserv'ER report <p>We attended:</p> <ul style="list-style-type: none">• Annual COGEN Europe conference (18.-19.4.2013) and discussed with Csaba Kiss, (E.ON Hungary).• GM CA-EED in Dublin, discussed the situation in Hungary with Geza Matuz (EMI Non-profit Company for Quality Control and Innovation in Building) <p>We have made additional contacts and discussion with:</p> <ul style="list-style-type: none">• COGEN Hungary on establishing contacts in relevant institutions
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Significant gaps	No specific larger gaps were identified so far. We would like to get more information on options for establishing any support of CHP in the future.
Planned actions	Phone calls and personal contacts (CA-EED GM Vilnius) with stakeholders in September and October to collect missing data and get feedback on our findings and conclusions.

1.4 Awareness

Process of developing awareness assessment	Information gathering based on standard CODE2 awareness form
Status of analysis	Starting phase. Limited or non-existing support for majority of units has triggered specific organisation of existing CHP plants in a joint offer for energy services to the TSO (virtual plant).
Significant gaps	Status of other actors will be identified and evaluated in next steps.
Planned actions/key milestones	Phone calls and personal contacts planned in September and October 2013

1.5 The economics of CHP

Process of developing economics assessment	Collection of energy data and economic assessment by CODE2 developed tool. Current CHP market situation discussion with contacts
Status of analysis	Starting phase
Significant gaps	Current energy market data and other relevant influencing factors on CHP economics are still missing
Planned actions/key milestones	Collection of specific CHP economic data for new CHP project and further discussions with experts are foreseen

1.6 Barriers to CHP

Process of developing barriers assessment	Information on past and existing barriers were partially collected and discussed with experts
Status of analysis	Starting phase
Significant gaps	Missing the latest barriers linked with current economic crisis and dynamic energy market development
Planned actions/key milestones	Further collection of information and discussions with experts on prepared conclusions

Chapter 2 - What is possible? Cogeneration and market opportunities

2.1 Market opportunities

Method of assessment of opportunities	Current potential assessment will be used, especially: <ul style="list-style-type: none">• Report on the Results of the Analysis of National Potential of Combined Electricity and Heat Generation in Hungary Pursuant to Directive 2004/8/EC• 2nd National Energy Efficiency Action Plan of the Hungary
Progress to date	Starting phase
Planned actions	Further discussions with experts on latest information and plans foreseen

2.2 Considering the framework of the EED

This section will be developed following the first Member State workshop and will be based on the regional pilot roadmap and the outputs from the workshops.

Chapter 3 - How do we arrive there: the Roadmap

3.1. Overcoming existing barriers and creating a framework for action

Status	Starting phase
Planned actions	Further collection of information and discussions with experts on proposed actions and measures

3.2 Possible paths to growth

Status	Starting phase
Planned actions	Final conclusions and recommendations will be prepared at the end of the Road map preparation