Government Decree 374/2020 (VII.30.) on the identification, designation and protection of critical systems and facilities in energy

The Government, acting on the basis of authorisation by sections 14 a)-d), g), k) and m) of the Act CLXVI of 2012 on the identification, designation and protection of critical infrastructures and facilities, acting within its functions provided for in Article 15(1) of the Fundamental Law, decrees as follows:

1. General provisions

Section 1 As regards critical infrastructure for energy, the identification test shall be carried out by the following:

a) for the facilities of the electricity system, its licensee in accordance with the act on electricity,

b) the operator of a pipeline and storage for petroleum and liquid hydrocarbon products, and of the facility used in the production and processing of petroleum,

c) the system operator pursuant to the act on natural gas supply, the operator of the gas terminal and the operator of the facility required for the mining of hydrocarbons that is gaseous at normal atmospheric pressure and room temperature,

d) the licensee of the district heating system facilities in accordance with the act on district heating services.

Section 2 (1) In the case of energy facilities in the energy sector, in the course of the designation of national and European critical infrastructures, the infrastructure pursuant to section 1j) of Act CLXVI of 2012 on the identification, designation and protection of critical infrastructures and facilities (hereinafter Hungarian CIP Act) shall mean the infrastructure of the system - including the administrative and logical service rendered by the operator or licensee for the purpose of operating the infrastructure, pursuant to section 1a)-d) herein.

(2) In the case of energy facilities in the energy sector, the technological communication and IT system shall also be considered as part of the energy facility in the course of the designation of national and European critical infrastructures.

2. Acting authorities

Section 3 The following shall act as sectoral designating authorities in the course of defining critical infrastructures for energy

a) as regards the electricity system and the cooperating natural gas system, the Hungarian Energy and Public Utility Regulatory Authority (hereinafter Authority),

b) with the exception of petroleum processing and the storage of petroleum products, the mining authority in respect of the petroleum industry and natural gas production,

c) as regards petroleum processing and the storage of petroleum products, the capital city and county government office acting in its capacity for metrological matters and technical safety,

d) as regards the district heating sub-sector, the Authority.

3. Sectoral criteria for European critical infrastructures

Section 4 An energy facility may be identified as a European critical infrastructure and designated as a European critical infrastructure if, in addition to the conditions set out in the Hungarian CIP Act, it complies the following:

a) in the case of the transmission system of the electricity system, the outage of the infrastructure alone, leads to service constraint of at least 6 hours, simultaneously resulting in a persistent shortage of power or import capacity, whereby the reserve of the electricity system in power plants is maximum 7% of the gross domestic consumption, including imports,

b) in the case of the petroleum industry, the outage of the instrument exceeding 90 days in respect of petroleum supply and processing, and strategic stockpiling cannot be replaced by other means,

c) in the case of a cooperating natural gas system and natural gas production, the outage of the infrastructure for a time period specified in Annex 1, cannot be replaced by other means as regards performing the activity.

4. Sectoral criteria for national critical infrastructures

Section 5 (1) With regard to electricity system management, an infrastructure shall be identified as a national critical infrastructure, in the event of the outage of which the security of supply cannot be maintained and which cannot be replaced within 30 minutes.

(2) With regard to electricity production, an infrastructure shall be identified as a national critical infrastructure which has a nominal capacity of 200 MW and exceeding, or the producer reached on average 1 TWh in electricity production in the three years preceding the test.

(3) With regard to the transmission network, an infrastructure shall be identified as a national critical infrastructure, as a result of the outage of which any additional infrastructure deviates from the voltage level specified in Annex 2 exceeding 24 hours and which cannot be replaced by other means as regards performing the activity.

(4) With regard to the distribution grid, an infrastructure greater than 1 kV but not exceeding 132 kV shall be identified as a national critical infrastructure, which excludes from reception

a) at least 10,000 users in the case of an outage exceeding 24 hours but less than 48 hours,

b) at least 5,000 users in the case of an outage reaching or exceeding 48 hours but less than 72 hours,

c) at least 2,000 users in the case of an outage reaching or exceeding 72 hours.

(5) As regards organisation or economic entity rendering Black Start service (hereinafter Black Start service) defined in Government Decree 65/2013 (III.8.) on the implementation Act CLXVI of 2012 on the identification, designation and protection of critical systems and facilities (hereinafter implementation decree of the Hungarian CIP Act), the infrastructure that has a valid accreditation issued by the transmission system operator to provide the Black Start service, shall be identified as a national critical infrastructure.

Section 6 As regards the petroleum industry, the infrastructure, outage of which - that is otherwise irreplaceable by other means - leads to that at least 70% of domestic finished diesel, motor gasoline or kerosene type jet fuel demand cannot be met exceeding 55 days, shall be identified as national critical infrastructure.

Section 7 (1) As regards the transmission of natural gas, the following shall be identified as a national critical infrastructure

a) the infrastructure in the event of the outage of which maximum 85% of the committed capacity at the point of discharge of gas transmission stations equipped with a metering system is available, necessary to ensure the supply of domestic natural gas corresponding the average winter consumption conditions of the last three years, and the relevant activity cannot be replaced in terms of supply, by other means, and

b) the remaining infrastructure component which, in the event of outage of the largest natural gas transmission component, ensures maximum 85% of the committed capacity at the point of discharge of gas transmission stations equipped with a metering system, necessary to ensure the supply of domestic natural gas corresponding the average winter consumption conditions of the last three years.

(2) As regards transmission system management, the infrastructure shall be identified and designated as a national critical infrastructure if, in the case of its outage exceeding eight hours, the security of supply cannot be maintained.

(3) In the case of natural gas production, an infrastructure shall be identified and designated as a national critical infrastructure if, in the event of its outage for at least 72 hours, the committed generation capacity available is maximum 40%, and which cannot be replaced by other means as regards performing the activity.

(4) In the case of natural gas storage, an infrastructure shall be identified and designated as a national critical infrastructure if, in the event of its outage for at least 72 hours, the committed removal capacity available is maximum 40%, and which cannot be replaced by other means as regards performing the activity.

(5) With regard to the distribution of natural gas – especially gas terminal, the high or medium/high pressure gas distribution pipeline –, an infrastructure shall be identified and designated as a national critical infrastructure which excludes from the possibility of receiving natural gas

a) at least 10,000 users in the case of an outage exceeding 24 hours but less than 48 hours,

b) at least 5,000 users in the case of an outage reaching or exceeding 48 hours but less than 72 hours,

c) at least 2,000 users in the case of an outage reaching or exceeding 72 hours.

Section 8 With regard to the district heating system, an infrastructure that ensures the continuous operation of a designated critical infrastructure or the outage of which affects the use of both heating and hot water of at least 20,000 users or fee payers, shall be identified as a national critical infrastructure.

5. The extent of significant disruptive effect in the energy sector

Section 9 The following shall constitute significant disruptive effect in the provision of essential services that belong to the list of essential services in the electricity sub-sector set out in Annex 3 of the implementation decree of the Hungarian CIP Act:

a) malfunction or deviation from the voltage level exceeding 24 hours in the operation of the electricity transmission grid, which makes impossible in part or in whole to carry out planned, scheduled deliveries, transmission, performance of balancing, and which malfunction can only be averted by extraordinary measures, in particular operational network intervention, using reserves, changing the export-import schedule, requesting international assistance, ordering user restrictions,

b) breakdown or outage in operational management systems in the management of the electricity transmission system which cannot be replaced within 30 minutes, to such an extent that the operational safety, controllability or interoperability of the electricity system is seriously jeopardised,

c) outage of the distribution network infrastructure in the electricity distribution system exceeding 48 hours, which excludes at least 5000 users from reception,

d) permanent outages of power plants with a nominal capacity of 50 MW or more, involved in the production of electricity and the provision of system-level services, in particular unplanned shutdown of production which cannot be replaced by power plant import or otherwise, lasts for at least 24 hours and the required amount of system-level services is not available to the transmission system operator, or

e) if the power plants providing the Black Start service are not able to start their production units for more than 12 hours and are not able to control the voltage and power and the frequency supplied to the grid.

Section 10 The following shall constitute significant disruptive effect in the provision of essential services that belong to the list of essential services in the petroleum sub-sector set out in Annex 3 of the implementation decree of the Hungarian CIP Act

a) a loss of storage capacity necessary for the storage of the finished petroleum product produced to such extent which cannot be replaced within 48 hours, or

b) a loss of storage capacity for the production of finished petroleum products to such extent which cannot be replaced within 72 hours, except in the event of a planned shutdown.

Section 11 The following shall constitute significant disruptive effect in the provision of essential services that belong to the list of essential services in the natural gas sub-sector set out in Annex 3 of the implementation decree of the Hungarian CIP Act

a) in the case of natural gas transmission, the malfunction of the transmission grid system exceeding 24 hours, excluding scheduled shutdowns, which makes impossible in part or in whole to carry out planned, scheduled deliveries, transmission, performance of balancing, and which malfunction can only be averted by extraordinary measures, in particular operational network intervention, using reserves, changing the export-import schedule, requesting international assistance, ordering user restrictions,

b) breakdown or outage in operational management systems in the management of the transmission grid system – excluding planned shutdowns –to such an extent that the operational safety, controllability or interoperability of the natural gas transmission system is seriously jeopardised, and which cannot be returned to failure-free state within 8 hours,

c) outage of the distribution system infrastructure in natural gas distribution, excluding planned shutdowns, which excludes from reception

ca) in the case of natural gas distribution affecting at least 10,000 users, for a period exceeding 24 hours but less than 48 hours,

cb) in the case of natural gas distribution affecting at least 5,000 users, for a period reaching or exceeding 48 hours but less than 72 hours,

cc) in the case of natural gas distribution affecting at least 2,000 users, for a period reaching or exceeding 72 hours.

d) permanent outage of a natural gas storage facility, excluding planned shutdowns, exceeding 72 hours.

Section 12 It shall constitute significant disruptive effect in the provision of essential services that belong to the list of essential services in the district heating sub-sector set out in Annex 3 of the implementation decree of the Hungarian CIP Act if the outage of the district heating infrastructure lasts more than 24 hours, which excludes at least 10,000 users or fee payers from reception.

6. Thresholds for basic services in the energy sector

Section 13 In the electricity sub-sector, according to the list of essential services set out in Annex 3 of the implementation decree of the Hungarian CIP Act, the following may be identified as operators of essential services

a) in the case of the operation of the electricity transmission grid and in the case of electricity transmission system management services, a service provider with a transmission system operator's license for the territory of Hungary,

b) in the case of electricity distribution services, a provider with a service area covering at least 100,000 users,

c) in the case of electricity production services, a power plant with a nominal capacity of 50 MW and more, having a valid accreditation for system-level services,

d) in the case of the Black Start service, a power plant with a valid accreditation for the Black Start service.

Section 14 In the petroleum sub-sector, according to the list of essential services set out in Annex 3 of the implementation decree of the Hungarian CIP Act, the following may be identified as operators of essential services

a) a service provider rendering finished product storage, for the finished product produced by the manufacturing of finished petroleum products, if as a result of an outage of which at least 50% of the required finished product demand cannot be met for 72 hours,

b) a service provider rendering storage necessary for the production of finished petroleum products, if as a result of an outage of which at least 50% of the required raw material demand cannot be met for 48 hours.

Section 15 In the natural gas sub-sector, according to the list of essential services set out in Annex 3 of the implementation decree of the Hungarian CIP Act, the following may be identified as operators of essential services

a) in the case of natural gas transmission services, the service provider with a transmission system operator's license for the territory of Hungary,

b) in the case of system management services, the service provider with a transmission system operator's license designated to perform system management activities in the territory of Hungary,

c) in the case of natural gas distribution services, the service provider with a service area covering at least 100,000 users,

d) in the case of a natural gas storage service, the service provider with a natural gas storage license.

Section 16 In the district heating sub-sector, according to the list of essential services set out in Annex 3 of the implementation decree of the Hungarian CIP Act, a district heating service provider with a service area covering at least 100,000 users or fee payers, may be identified as an operator of essential services.

7. Provision on the qualification requirements for the security liaison officer

Section 17 In addition to the qualification requirements set out in section 6 of the implementation decree of the Hungarian CIP Act, a security liaison officer employed by an operator or licensee pursuant to Section 1a)-d) above, shall have a higher education degree in a specialised technical field.

8. Detailed sectoral rules for extraordinary occurrences

Section 18 (1) The following shall be considered as an extraordinary occurrence, in the case of a designated critical infrastructure for the electricity sub-sector in the energy sector:

a) supply disruption of electricity which foreseeably results in an outage exceeding 8 hours, and excludes at least 10,000 users from reception,

b) breakdown in operational management systems in the management of the electricity transmission system which cannot be replaced within 30 minutes, to such an extent that the operational safety, controllability or interoperability of the electricity system is seriously jeopardised,

c) malfunction foreseeably exceeding 24 hours in the operation of the electricity transmission grid, or deviation from the voltage level which makes impossible in part or in whole to carry out planned, scheduled deliveries, performance of balancing, and which malfunction can only be averted by extraordinary measures which require the involvement of other external bodies or the required type of technical assistance is not available to the operator,,

d) permanent outages of power plants with a nominal capacity of 50 MW or more, involved in the production of electricity and the provision of system-level services, in particular planned shutdown of production, which cannot be replaced by power plant import or otherwise, lasts foreseeably for at least 24 hours and the required amount of system-level services is not available to the transmission system operator, or

e) if the power plants providing the Black Start service are not able to start their production units for more than 12 hours and are not able to control the voltage and power and the frequency supplied to the grid,

f) if the authority orders a health quarantine at the designated critical infrastructure,

g) a critical shortage of human resources which would lead to a reduction in the activity to such an extent that it meets the criteria set out in points a) to f) above, or could lead to the cessation or suspension of the activity.

(2) The following shall be considered as an extraordinary occurrence, in the case of a designated critical infrastructure for the petroleum sub-sector in the energy sector:

a) malfunction in the operation of a designated critical infrastructure for the production and distribution of a finished petroleum product, foreseeably exceeding 24 hours, in particular a utility outage, IT failure, which requires the involvement of other external bodies or the required type of technical assistance is not available to the operator,

b) the loss of the service provider engaged in the production of finished petroleum products, storage of raw materials or finished petroleum products to such an extent that as a result the demand for required finished products cannot be met in at least 50% for 72 hours,

c) if it leads to the transformation of the core activity or the use of substitute technology of the service provider carrying out finished petroleum product production, storage of raw materials or finished products,

d) if the authority imposes a health quarantine at the designated critical infrastructure,

e) a critical lack of human resources to such an extent that it may lead to the cessation, suspension of the activity.

(3) The following shall be considered as an extraordinary occurrence, in the case of a designated critical infrastructure for the natural gas sub-sector in the energy sector:

a) a natural gas supply disruption in the natural gas distribution network to such an extent, that it results an outage for at least 24 hours during a heating period affecting at least 10,000 places of consumption,

b) in the case of natural gas transmission, a malfunction of the transmission line foreseeable exceeding 24 hours which jeopardises the fulfilment of scheduled deliveries, the system operator is foreseeably unable to perform the task, and the averting of which requires the involvement of other external bodies or the required type of technical assistance is not available to the operator,

c) failures of the operational management systems required for system management to an extent that seriously jeopardises the operational safety, controllability or interoperability of the natural gas transmission system and foreseeably cannot be returned to failure-free state within 8 hours, and the back-up system is not expected to replace it,

d) as regards natural gas storage, a permanent loss of at least 50% of the combined technical capacity of each storage system operator, taking into account flat curves, which is expected to reach 24 hours during the winter removal period,

e) if the authority imposes a health quarantine at the designated critical infrastructure, and it cannot be replaced by an alternative infrastructure or remote access, or cannot operate the infrastructure, or

f) a critical shortage of human resources which would lead to a reduction in the activity to an extent that meets the criteria set out in points (a) to (e) above, or could lead to the cessation, suspension of the activity.

(4) The following shall be considered as an extraordinary occurrence, in the case of a designated critical infrastructure for the district heating sub-sector in the energy sector:

a) a disruption in district heating supply which results in an outage affecting at least 10,000 places of use or fee payment, and is expected to exceed a period of at least 8 hours,

b) an event which, at the notification of the designating or registration authority, results in the cessation of the conditions necessary for the continuous operation of a critical infrastructure designated in another sub-sector, exceeding 4 hours, or leads to the transformation of the core activity at the official notification of the operator of a designated critical infrastructure of another critical sub-sector,

c) if the authority imposes a health quarantine at the designated critical infrastructure, or

d) a critical shortage of human resources to such an extent that it may lead to the cessation or suspension of the activity causing the effect referred to in point a).

9. Final provisions

Section 19 This decree shall enter into force on the day following its promulgation.

Section 20 The operator in the energy sector shall submit the identification report for the first time within 180 days from this decree entering into force.

Section 21 This decree serves the purpose of compliance

a) with the Council Directive (EU) 2008/114/EC of 8 December 2008 on the identification and designation of European critical infrastructures and the assessment of the need to improve their protection.

b) with the Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union.

Section 22[1]

Annex 1 to Government Decree 374/2020 (VII.30.)

Minimum downtime for certain activities in the natural gas system for identification as a European critical infrastructure

	A	B
1.	Activity	Minimum downtime
2.	system management	1 day
3.	natural gas transmission	1 day
4.	natural gas distribution	1 day
5.	commercial storage	10 days
6.	strategic storage	40 days
7.	natural gas import	50 days
8.	natural gas production	90 days

[1] Repealed on the basis of Act CXXX of 2010 sections 12-12/B. Ineffective from 01.08.2020

Annex 2 to Government Decree 374/2020 (VII.30.)

Voltage ranges required for the identification of an infrastructure of the electricity transmission network as a national critical infrastructure

	A	B	C	D	E
1.	Normal voltage level (kV)	120	220	400	750
2.	The permissible deviation range (kV)	108-138	189-244	380-420	697-787