

VIETNAM ENERGY TRANSITION WEEKLY UPDATE

15 March 2024

Key points

1. Implementation [Plan](#) for PDP8 has not been [approved](#) after the MoIT submitted its 7th draft letter for approval. The (draft) Implementation Plan aims to:
 - Identify the list of regulatory and policy initiatives as well as capacity needs for the improvement of the electricity sector.
 - Identify the list of crucial electricity source projects, electricity grid projects, prioritized projects including regional interconnection grids.
 - Determine the list of renewable energy sources (small-scaled hydropower, onshore wind power, biomass power, waste-to-energy...) in each locality.
 - Identify solutions for implementation from now until 2030; methods, resources, coordination mechanisms between ministries, sectors, and localities.
 - Provide guidance for ministries, sectors, and localities in implementing objectives, tasks, and solutions in each planning phase.
2. On 1 March 2024, DPM Tran Hong Ha [signed Decision](#) 215/QD-TTg on approving “Vietnam’s National Energy Development Strategy until 2030 with a vision to 2045”. Its overall objective is to ensure energy security and to implement the transition to net zero by 2050. It targets that RE will reach 15-20% of total primary energy by 2030 and 65-70% by 2045. Here is a succinct [recap](#) of the strategy.
3. DPM Tran Hong Ha urged to [resolve](#) obstacles to offshore wind and gas-powered projects.

More details (see in links)

Themes	Contents
Generation	<ul style="list-style-type: none">• EVN’s boss pledged there would be no power shortage under any circumstances. EVN has prepared for a scenario of high growth in power consumption of over 9%.• DPM Tran Luu Quang assured Nordic investors that there would be no interruptions in the electricity supply.• The Vân Phong 1 BOT Thermal (coal) Power Plant in Khánh Hòa was inaugurated on 13 March, supplying an additional 8.5 billion kWh per year, accounting for approximately 3 per cent of the total electricity output nationwide.
Demand	<ul style="list-style-type: none">• The National Power Dispatch Center (A0) estimates that the peak load in 2024 may grow 8 – 12 % compared to 2023 nationwide, with the North region expecting up to 15%. The peak load growth in the North is around 4% in 2023, compared to 2022.
Market	<ul style="list-style-type: none">• There has been so much buzzing over electricity bills in Hanoi lately as it is reported that electricity bills for February in Hanoi skyrocketed. EVN Hanoi explained the increased bills were due to the change in the meter-reading schedule.• MoIT proposed to expand EVN’s authority to increase electricity prices. Once approved by the Government, EVN would be capable of adjusting electricity prices up to 5% with a 3-month cycle.
Fuel	<ul style="list-style-type: none">• Vietnam's state-controlled PV Gas and PV Power are poised to agree on a principal contract for supplying LNG from the Thi Vai terminal to PV Power's Nhon Trach 1 combined cycle power plant.

Grid	<ul style="list-style-type: none">• Vietnam is hustling to accelerate the construction of transmission infrastructure for the dry season in 2024. Construction work is being deployed simultaneously on the entire route of Quang Trach – Pho Noi circuit-3 500kV transmission line.
Planning/ others	<ul style="list-style-type: none">• Blades of a wind turbine totalling 100 tons fell off 140 meters and broke into pieces in the Mekong Delta province of Bac Lieu.• The Asian Development Bank (ADB) plans to offer technical assistance and US\$2.1 billion for Vietnam’s climate change adaptation per the country’s Nationally Determined Contributions commitment and energy transition.• Vietnam welcomes Denmark's renewable projects.

