VIETNAM: KEY HIGHLIGHTS OF NEW DRAFT OF NATIONAL POWER DEVELOPMENT PLAN (DRAFT PPDP8)

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In brief

On 22 February 2021, the Ministry of Industry and Trade of Vietnam (MOIT) released the draft proposal for the national power development plan for the period of 2021-2030, with a vision to 2045 ("Draft PDP8") for public comments. This is the third version of the draft, which the MOIT prepared and updated in February 2021. The draft proposal includes an 843-page main explanatory report, with an addition of 174 pages of appendices.

Under the Master Planning Law and the notice from the MOIT, the draft proposal of PDP8 has been made available for public comments for a period of 30 days from the MOIT's notice.

In more detail

1. Proposed scale of power sources under Draft PDP8
The Draft PDP8 proposes the scale of power sources in the master planning period for different load development scenarios including two scenarios: (i) base-load scenario (Table I), and (ii) high-load scenario (Table II).

2. Power capacity structure proposed under Draft PDP8

2.1 For the period of 2021 – 2030

Coal-fired power: The power capacity structure will be changed in the direction of reducing coal-fired thermal power from 34% in 2020 to 27% in 2030. During this period, there will be no additional development of new coal-fired thermal power (other than the coal-fired power plants already under construction and under investment promoted for operation during 2021-2025.

Gas-to-power: Power sources utilizing gas will be substantially developed from about 7 GW in 2020 to 13.5 GW in 2025 and 28-33 GW in 2030. The ratio of gas-to-power sources will be increased from 15% in 2020 to 21-23% in 2030.

Wind power: Wind power will be substantially developed from the capacity of about 600 MW in 2020 to over 11-12 GW in 2025 and over 18-19 GW in 2030. The ratio of wind power capacity will account for 12% of the total installed capacity in 2025 and 13% of the total installed capacity in 2030.

Solar power: Solar power will be developed from the capacity of about 17 GW in the period of 2020-2025 to about 19-20 GW in 2030. The ratio of solar power capacity will account for 17% of the total installed capacity in 2025 and 14% of the total installed capacity in 2030.

Other sources: Along with the development of wind power and solar power, it is also necessary to construct power plants capable of flexible adjustments, battery energy storage, pumped-storage hydropower, ICE to ensure the stable operation of the power system with a high ratio of renewable power sources. The total capacity of these sources will reach 2.6-2.8 GW in 2030, accounting for nearly 2% of the total installed capacity.

2. 2 For the period 2031 – 2045, In terms of power capacity, the Draft PDP8 proposes as follows: (*Continue reading on page No 7).*