

Coal-fired power: The PDP8 will change the ratio of coal-fired thermal power to 27% with a 16% decrease compared to such ratio in the amended PDP7. About 18 GW of imported coal-fired thermal power projects approved under the amended PDP7 will be delayed until the period after 2030 or will not be included for consideration. The Draft PDP8 also lists specific names of such coal-fired power projects.

Gas-to-power: The PDP8 increases the ratio of gas-to-power to 21% with a 6% decrease compared to such ratio in the amended PDP7. In the PDP8, there is a plan to construct an additional 5 GW combined cycle gas turbine source utilizing LNG in the northern region, 500-700 MW flexible source (ICE) in the Northern region and 900 MW of ICE in the Southern region. Under the Draft PDP8, it is noted that due to the fact that power load in Southern region is projected to have a lower growth in comparison with the amended PDP7 and that the solar and wind power sources have substantially developed in the southern region, it is necessary to consider to delay the project schedule of about 6.5-2.5 GW of combined cycle gas turbines sources utilizing LNG (depending on whether the base-load or high-load scenario will be applied) among the total capacity of 14.5 GW approved for the Southern region after 2030.

4. Required capital investments for PDP8

Under the Draft PDP8, there will be significant capital required for investments in the power plants and grid systems proposed in the PDP8, specifically:

For the **2021-2030** period: The total investment capital for the 2021-2030 period will

be about USD 128.3 billion, of which USD 95.4 billion will be for power generation/source/plants and about USD 32.9 billion will be for power grids. The average investment capital structure for power generation/source and for the power grid will be 74/26. As such, for the 2021-2030 period, the average annual investment capital required will be about USD 12.8 billion, of which USD 9.5 billion will be for power generation/source/plants and USD 3.3 billion will be for power grids.

For the **2031-2045** period: The total investment capital for the 2031-2045 period will be about USD 192.3 billion, of which USD 140.2 billion will be for power generation/source/plants and USD 52.1 billion will be for power grids. The average investment capital structure for power generation/source/plants and for power grids will be 73/27. During the 2031-2045 period, the average annual investment capital will be about USD 12.8 billion, of which USD 9.3 billion will be for power generation/source and USD 3.4 billion will be for power grids.

5. Mechanisms proposed for implementing PDP8

In the Draft PDP8 report, the MOIT proposed the following key mechanisms in order to implement the PDP8:

- Amending the Electricity Law to meet the requirements of power development in the new period, including: creating favorable conditions for attracting investment capital in the entire society and ensuring the operation of the power system with highly integrated renewable energy sources;

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