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News Update:
Coal-fired Power Capacity to be reduced by 8 billion kWh

This news update highlights the key points in the article “Giảm huy động 8 tỷ kWh điện than” by Anh Minh, published on VnExpress on 05 May 2021. Full article (Vietnamese only) can be found at <https://vnexpress.net/giam-huy-dong-8-ty-kwh-dien-than-4272611.html>.

Cutting off traditional power sources, and replacing with solar and wind power

- According to Mr. Nguyen Duc Ninh, Director of the National Load Dispatch Centre (A0), EVN plans to reduce the capacity mobilised from coal-fired power plants by 8 billion kWh in 2021. This information was shared in the meeting dated 04 May 2021 among experts regarding the situation on electricity supply.
- As previously estimated in the approved plan this year by the Ministry of Industry and Trade, the total capacity mobilised and produced of the whole system in 2021 will reach 260 billion kWh, in which EVN will mobilise approximately 126 kWh capacity from coal-fired power plants. However, practical data shows that the mobilised capacity from these plants will only account for 70 – 80% of the capacity generated. Based on the data in the late April, the capacity mobilised from coal-fired power plants will decrease about 8 billion kWh, which is equivalent to 6% of the estimated amount.
- Not only coal-fired power but hydropower will also be considerably cut off, and the electricity shortage will be eased by renewable sources from solar and wind power. The regional load dispatch centres stopped generating to the grids approximately 8,000 MW of hydropower plants in Central and Southern regions during noon’s peak hours (11 a.m. to 12 p.m.).
- As planned, this year EVN will mobilise about 32 billion kWh from wind and solar power. In comparison with that of 2020, this figure is double. As of April, there were about 9,200 MW generated from solar farm projects, 9,538 MW from rooftop solar projects, and 610 MW wind

power projects. It is estimated that the number of wind power projects which reach the commercial operation date this year will increase, and their total capacity will be around 4,500 to 5,400 MW.

Curtailment risk for renewable energy

- However, a great number of renewable power plants currently being operated imposes a great pressure on the load dispatch as well as grid transmission. The difficulties include the overload in inter-regional/ intra-regional, large load difference between peak and off-peak hours, etc. Besides, the investment in power grid transmission has not met the increase in the renewable power sources, and the COVID-19 has also imposed negative impacts on the load demand.
- According to A0's estimation, the total capacity of wind and solar power this year will be around 20,000 MW, taking over 30% in the total capacity of all power sources. Nevertheless, the contributed capacity of the renewable energy will only account for 12% and increase to 17% in the next 5 years. Therefore, in order to meet the electricity supply demand, the traditional power sources are still the dominant sources whose the percentages are about 40 – 80%.
- Noted that EVN will continue cutting off capacity from renewable power sources. The cut-off portions are around 15 – 20%, in which solar power will be cut off 13.3% of capacity, while that figure of wind power will be 4.8%.

Key contact

If you have any questions or would like to know how this might affect your business, please contact the key contact.



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