

VIETNAM ENERGY TRANSITION WEEKLY UPDATE

1 March 2024

Key points

- Seven Lao's wind energy plants want to [sell](#) a total of 4,150 MW to Vietnam, which exceeds the capacity of the local power grid.
- Following the approval of the hydrogen development strategy, MoIT [calls](#) for investment in hydrogen-derived fuel projects.
- From the beginning of 2024, the national electricity demand has [increased](#) by approximately 10.9% compared to the same period in 2023, following a significant [surge](#) in the final quarter of 2023.

More details (see in links)

Themes	Contents
Generation	<ul style="list-style-type: none">• Đồng Nai Province is becoming a key player in waste-to-electricity (WTE) projects. The province, known for its substantial generation of household waste, is now home to seven WTE facilities in development. If things go smoothly, at least one project could start operation as early as 2024.• The first LNG power plant in Vietnam, Nhon Trach 3 & 4, with an investment capital of billions of USD, is about to commence operation. Meanwhile, the construction of the first northern Vietnam LNG power project in Quang Ninh province is requested to start in Q3 2024.
Demand	<ul style="list-style-type: none">• The national electricity demand increased by approximately 10.9% during the initial months of 2024, following a significant surge in the final quarter of 2023. The North continues to experience the most substantial rise in electricity demand among all regions.
Market	<ul style="list-style-type: none">• Vietnam's largest diameter of onshore wind turbine to date will be installed at the Hai Anh wind farm project in Quang Tri province. Electric Wind Power, a Shanghai Electric subsidiary, has signed a deal to provide the turbines.• AES Corporation, a U.S. energy investor and operator, earned a revenue of \$344 million from its operations in Vietnam in 2023. The figure went up from \$323 million in 2022 and \$320 million in 2021, per AES data.
Fuel	<ul style="list-style-type: none">• Following the approval of the hydrogen development strategy, MoIT calls for investment in hydrogen-derived fuel projects. The ministry is also preparing an implementation plan for the strategy.
Grid	<ul style="list-style-type: none">• Seven Lao's wind energy plants want to sell a total of 4,150 MW to Vietnam, which exceeds the capacity of the local power grid. According to EVNEPTC's proposal, the cost of electricity imported from Laos' wind farms starting in 2026 will not surpass 5.51 US cents/kWh.
Planning/ others	<ul style="list-style-type: none">• MoIT is completing a draft decree for the Government regarding rooftop solar development. This decree is aimed at establishing transparent procedures for enterprises.