

VIET NAM ELECTRICITY

SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom – Happiness

Ref. 3725/EVN-KD

Hanoi, 01 June 2020

Re: Contract signing and payment of invoice for rooftop solar systems installed after 30/06/2020

Attention to:

- Power Companies
- EVN Information and Communication Technology Company

On 06 April 2020, the Prime Minister has issued Decision no. 13/2020/QĐ-TTg on the Promotion Mechanism for the Development of the Solar Power Projects in Viet Nam (henceforth as Decision 13/2020/QĐ-TTg). The Ministry of Industry and Trade (MOIT) is seeking comments of agencies on the Draft Circular stipulating Project Development and Standardized Power Purchasing Agreement (PPA) for Solar Power Projects. In the time waiting for the issuance and entry into force of the Circular for solar power, based on the Document no. 3641/BCT-DTDL dated 21/05/2020 of the MOIT on the Development of the Rooftop Solar according to Decision 13/2020/QĐ-TTg, Viet Nam Electricity Corporation (EVN) provide guidance to Power Companies on the signing of PPA and the payment of the invoice for the rooftop solar (RTS) systems which had the time of meter reading confirmation and commercial operational date (COD) in the period from 01/07/2019 to 31/12/2020 as follow:

1. Identification of RTS systems:

a) RTS system is a solar power system which has photo-voltaic panel installed on the rooftop of construction work and has the installed capacity not above 01 MW (based on the total capacity of the system's inverters), connecting directly or indirectly to the electricity grid with the voltage of 35kV or less.

b) Solar power systems which do not meet the conditions in Paragraph a above, are not covered by this document. Power companies shall provide guidance to customers to implement additional procedures in accordance with Decision 13/2020/QĐ-TTg in order to determine the power purchasing price and ensure the conditions to sell electricity to EVN.

2. The signing of contract and payment of invoice to investors of RTS systems which have the meter reading confirmation and COD in the period between 01/07/2019 and 31/12/2020, in specific:

a) Perform the signing of PPA according to the form in Annex 1.

b) Perform payment of invoices in according to Sub-clause 2, Article 8, Decision 13/2020/QĐ-TTg (the electricity purchasing price is applicable for 20 years since the date of the electricity generation and meter reading confirmation), specifically as follow:

- From 01/07/2019 to 31/12/2019, electricity purchasing price (not included value-added tax (VAT)) is VND 1,913/kWh (equivalent to UScents 8.38/kWh multiplied with the exchange rate between VND and US Dollars issued by the State Bank of Viet Nam to be applied on 31/12/2018 is VND 22,825 / 1 USD).

- From 01/01/2020 to 31/12/2020, the electricity purchasing price (not included VAT) is 1,940 VND/kWh (equivalent to UScents 8.38/kWh multiplied with the exchange rate between VND and US Dollars issued by the State Bank of Viet Nam to be applied on 31/12/2019 is VND 23.155 / 1 USD).
- From 2021 and the following years, the electricity purchase price (not including VAT) is determined on yearly basis by VND (determined to the ones, not round up) equivalent to 8.38 UScents/KWh multiplied with the exchange rate between VND and US Dollars issued by the State Bank of Viet Nam to be applied for the last day of the previous year.

3. For RTS systems enter COD before 01/07/2019 (and signed the PPA) has implemented to increase the capacity in the period between 01/07/2019 and 31/12/2020:

c) In the case where the investors have informed and performed meter reading confirmation at the time of the increase in capacity with Power Companies or with authorized member agencies (henceforth as the agencies): the agencies and investors shall sign an additional annex to the PPA in accordance to Annex 2 and proceed with the payment of invoice according to two part of the generated electricity to the grid corresponding to the rate of installed capacity before and after the time of the increase in capacity.

d) In the case where the investors did not inform and performed meter reading confirmation at the time of the increase in capacity: the agencies shall cooperate with the investors to determine and agree on the time of the increase in capacity in order to sign an additional annex to the PPA and proceed with the payment of invoice according to Paragraph a above from the date of meter readings with the increased capacity. In the case where the date of the increase in capacity cannot be determined, the agencies shall cooperate with the investors to sign the additional annex to the PPA and proceed with the payment of invoice according to Paragraph a above from 01/07/2019.

4. Assign to EVNICT to recalibrate electricity payment calculation tool, print the contracts in accordance with the forms in Annex 1 and Annex 2 on CMIS, organize to provide guidance to Power Companies to ensure monitoring, information gathering management functions and invoice payment to investors of RTS systems selling electricity to EVN.

EVN request Power Companies to provide guidance member agencies to implement in a timely manner. If there are obstacles in the implementation, report to EVN for review and solutions./.

Recipients:

- As above;
- Board of Directors (for report);
- General Director (for Report);
- Deputy DG Nguyễn Xuân Nam
- Department: Electricity Market, ICT, Inspection, Legal, Communication
- Archive: office file, Business Department, Finance and Accounting Department.

**P.P. GENERAL DIRECTOR
DEPUTY GENERAL DIRECTOR**

Vo Quang Lam
(signed and sealed)