

LEGAL DOCUMENTS

THE GOVERNMENT

Decree No. 137/2013/ND-CP of October 21, 2013, detailing a number of articles of the Electricity Law and the Law Amending and Supplementing a Number of Articles of the Electricity Law

Pursuant to the December 25, 2001 Law on Organization of the Government;

Pursuant to the December 3, 2004 Electricity Law and the November 20, 2012 Law Amending and Supplementing a Number of Articles of the Electricity Law;

At the proposal of the Minister of Industry and Trade,

The Government promulgates the Decree detailing a number of articles of the Electricity Law and the Law Amending and Supplementing a Number of Articles of the Electricity Law.

Article 1. Scope of regulation

This Decree details a number of articles of the Electricity Law and the Law Amending and Supplementing a Number of Articles of the Electricity Law on planning and investment in electricity development; management of electricity demand; electricity purchase and sale; electricity prices; electricity activity licenses; regulation of electricity activities; and examination of electricity activities and use.

Article 2. Organization of adjustment of electricity development master plans

1. Electricity development master plans must be adjusted every five years or before schedule in order to timely meet changing requirements of socio-economic development.

2. The Ministry of Industry and Trade shall formulate and approve the outlines and cost estimates for the adjustment of the national electricity development master plan, including funding for appraisal and publicization; and register state budget plans for the adjustment of the master plan under regulations.

3. Provincial-level People's Committees shall organize the formulation and approval of the outlines and cost estimates for the adjustment of provincial-level electricity development master plans in the localities, including funding for appraisal and publicization; and arrange local budget plans for the adjustment of the master plans under regulations.

Article 3. Management, implementation of electricity development master plans

1. The Ministry of Industry and Trade shall:

a/ Perform the state management of electricity development master plans; guide the formulation of annual electricity development investment plans based on the approved electricity development master plans;

b/ Publicize the national electricity development master plan, including approved adjusted master plans;

c/ Assume the prime responsibility for, and coordinate with other ministries and sectors and provincial-level People's Committees

in, devising mechanisms and solutions to implement the electricity development master plans for submission to the Prime Minister;

d/ Supervise and examine the implementation of the national electricity development master plan;

dd/ Annually review and assess the results, impacts and effects of the implementation of the national electricity development master plan to be reported to the Prime Minister.

2. Provincial-level People's Committees shall:

a/ Publicize provincial-level electricity development master plans, including approved adjusted master plans.

b/ Arrange land funds under the local land use master plans for electricity projects in the national electricity development master plan and approved provincial-level electricity development master plans;

c/ Assume the prime responsibility for, and coordinate with investors in, ground clearance, compensation, population relocation, and resettlement for power projects;

d/ Supervise and examine the implementation of provincial-level electricity development master plans in the localities;

dd/ Annually review and assess the results, impacts and effects of the implementation of the provincial-level electricity development master plans to be reported to the Ministry of Industry and Trade.

3. Electricity project investors shall:

a/ Provide timely and sufficient funds for units to compensate, relocate and resettle

residents affected by power projects;

b/ Submit dossiers related to the allocation of land for the site, safety corridors, workers' housing areas and resettlement areas of power projects to provincial-level People's Committees;

c/ Coordinate with units decided by competent state agencies to carry out compensation, relocation and resettlement in conducting compensation, relocation and resettlement assistance and ground clearance;

d/ Make annual reports on the implementation of projects to competent state agencies managing the implementation of electricity development master plans.

4. Organizations and individuals owning houses and property attached to land areas on electricity projects' sites and safety corridors shall:

a/ Hand over the sites on time according to decisions of the People's Committees at all levels within the land areas reserved for power works in accordance with the land law;

b/ Cooperate with units carrying out compensation, relocation and resettlement in the relocation and clearance of grounds and safety corridors for electricity source projects and power grids in which competent state agencies have decided on investment.

5. The Ministry of Finance shall assume the prime responsibility for, and coordinate with the Ministry of Industry and Trade in, determining annual funds for implementing the contents specified at Points d and dd, Clause 1 and Points d and dd, Clause 2 of this Article.

Article 4. Major power plants of particularly important significance

1. Major power plants of particularly important socio-economic, defense, security significance specified in Clause 2, Article 4 of the Electricity Law include:

- a/ Nuclear power plants;
- b/ A number of hydropower plants.

2. The Minister of Industry and Trade shall submit the list of power plants specified in Clause 1 of this Article to the Prime Minister for approval.

Article 5. Responsibilities to invest in power station construction

1. Electricity generation units shall invest in building power switching and transformer stations within their management to be synchronous with power generation technologies and equipment to be connected with the power system, unless otherwise agreed upon.

2. Electricity transmission and distribution units shall invest in building power transformer and switching stations and reactive power compensation stations within their management, unless otherwise agreed upon.

Article 6. Construction and renovation of power grids

1. The construction of electricity distribution and transmission lines and transformer stations must be designed and use technical facilities and technologies in conformity with technical regulations and national standards or equivalent or higher foreign standards permitted for application in Vietnam by

competent state agencies.

2. Electricity transmission and distribution units shall formulate plans and roadmaps to renovate and upgrade existing power distribution and transmission lines and transformer stations to conform with technical regulations and national standards or equivalent or higher foreign standards permitted for application in Vietnam by competent state agencies.

3. Organizations and individuals possessing separate lines and transformer stations shall take responsibility for renovating and upgrading their lines and transformer stations when electricity transmission and distribution units determine that those lines and transformer stations fail to satisfy operation standards promulgated by competent state agencies.

Article 7. Conditions for power works to be connected to the national power grid

1. Electricity works connected to the national power system must satisfy conditions and technical regulations and have connection agreements with power grid management units.

2. The Ministry of Industry and Trade shall stipulate conditions, technical regulations and methods to determine initial connection costs and annual costs for hiring management and operation (if any), the order for connection; and the form of connection agreement.

Article 8. Investment support for electricity development in rural, mountainous, and border areas and islands

The Ministry of Finance shall assume the prime responsibility for, and coordinate with

the Ministry of Industry and Trade in, guiding the implementation of support policies for investment in electricity development in rural, mountainous and border areas and islands and areas with socio-economic difficulties and extreme socio-economic difficulties.

Article 9. Management of electricity demand

Management of electricity demand specified at Point a, Clause 1, Article 16 of the Electricity Law covers activities to encourage and guide change of the way of using electricity; use of high-efficiency electricity equipment; prevention of power waste and reduction of loss of electric power; reduction of peak subload and differences of subload between peak and off-peak hours.

Article 10. Responsibilities for management of electricity demand.

1. The Ministry of Industry and Trade shall:

a/ Formulate a national program on management of electricity demand to be submitted to the Prime Minister for approval, and guide and organize the implementation;

b/ Promulgate technical regulations, guide the implementation of regulations on management of electricity demand;

c/ Guide electricity units to implement and assess the results of implementation of plans and programs on management of electricity demand;

d/ Assume the prime responsibility for, and coordinate with the Ministry of Finance

in, formulating and promulgating financial mechanisms to encourage and support the implementation of national electricity demand management programs; and conduct research and development related to electricity demand management.

2. Provincial-level People's Committees shall:

a/ Develop programs and solutions to manage electricity demand, efficient use of electricity of electricity customer groups under their management; incorporate the program's objectives in local socio-economic development and production plans and examine and assess the implementation; organize and arrange appropriate resources for electricity demand management and efficient use of electricity.

b/ Examine, supervise and report the results of implementation of the electricity demand management program and efficient use of electricity of electricity customer groups under their management; and promptly handle cases failing to observe regulations on electricity demand management and efficient use of electricity.

3. Electricity units shall:

a/ Plan and organize the implementation of activities of the national electricity demand management program;

b/ Report on the results of implementation of electricity demand management plans under regulations.

4. Electricity users shall participate in implementing the national electricity demand management program.

Article 11. Electricity purchase and sale contracts for daily-life purpose

1. Conditions for signing electricity purchase and sale contracts for daily-life purpose

a/ The buyers must have full civil act capacity as prescribed by law and a written request for power purchase attached with a copy of one of the following papers: permanent residence or temporary residence book; the house ownership certificate or the housing allocation decision; the valid house purchase contract; the house lease contract with a term of one year or more; the land use rights certificate (with houses on land); and the notarized or certified house use and management authorization contract.

b/ The sellers have distribution networks capable of supplying electricity to meet the buyers' demand.

2. The sellers shall sign the contract and supply power to the buyers within 7 working days when all the conditions specified in Clause 1 of this Article are met.

3. In case there is not yet any power distribution network or the distribution network is overloaded as certified by the Electricity Regulatory Authority or an authorized agency, within five working days the sellers shall reply the buyers clearly stating the estimated time of electricity supply.

4. The Ministry of Industry and Trade shall issue the model contract on electricity purchase and sale for daily-life purpose.

Article 12. Security for the performance of electricity purchase and sale contracts

1. The buyers that are electricity users with the average monthly electricity consumption of 1,000,000 kWh or more shall implement measures to secure the contract performance before the electricity purchase and sale contract takes effect.

2. The value to secure contract performance may be agreed between the buyer and seller but must not exceed the price of 15 days of electricity consumption determined based on the average monthly electricity consumption registered in the electricity purchase and sale contract and the applied price of normal-hour electric power.

3. Measures, forms, effect of security, rights and obligations related to security must be specifically agreed among the parties in the electricity purchase and sale contracts; the implementation of via-bank guarantee measures is encouraged.

4. The sellers may suspend the electricity supply to the buyers in case the buyers neither carry out nor maintain measures to secure contract performance.

5. Regulations on security for the performance of electricity purchase and sale contracts are not applicable to electricity purchase and sale contracts that took effect before the effective date of this Decree, excluding electricity purchase and sale contracts in which two parties have agreed on security for contract performance.

Article 13. Acts of violating electricity purchase and sale contracts

1. The electricity sellers' violation acts include:

a/ Delaying the electricity supply under the signed electricity purchase and sale contract, unless the customer's works have not been qualified for operation;

b/ Failing to ensure electric power quality and quantity, stability in the electricity supply under the signed contracts, except *force majeure* circumstances;

c/ Recording wrong electricity meter readings; miscalculating electricity charges in electricity bills;

d/ Delaying or failing to compensate the buyers for losses caused by their fault;

dd/ Other acts in violation of electricity purchase and sale regulations.

2. The electricity buyers' violation acts include:

a/ Delaying the implementation of the signed contracts;

b/ Using electricity not for the purpose stated in the contract;

c/ Using electricity in excess of the registered output in the subload chart written in the electricity purchase and sale contracts during peak hours;

d/ Failing to liquidate the contracts when they do not use electricity;

dd/ Paying electricity charges late according to regulations without plausible reasons;

e/ Delaying or failing to compensate the electricity sellers for losses caused by their fault;

g/ Other acts in violation of electricity purchase and sale regulations.

Article 14. Electricity supply cessation and reduction

1. The electricity sellers may cease or reduce electricity supply in the following cases:

a/ Ceasing or reducing electricity supply according to Article 27 of the Electricity Law;

b/ The electricity buyers commit acts of violating Clauses 1, 4, 5, 6, 7 and 8, Article 7 of the Electricity Law;

c/ At the request of competent state agencies in case organizations or individuals violate the provisions of the Electricity Law, the Construction Law and law on environmental protection.

2. The Ministry of Industry and Trade shall specify conditions for and the order of ceasing or reducing electricity supply; expenses for cessation and resumption of electricity supply.

Article 15. Quality of electric power

1. Voltage and frequency for electricity use must ensure the following standards:

a/ Voltages: In normal condition, the permitted voltage deviation is around $\pm 5\%$ compared with the power grids' nominal voltage and determined at the place where electricity-metering or - counting equipment is installed or other places agreed upon by the two parties. The permitted voltage deviation is from $+5\%$ to -10% for power grids that have not been stable after incidents.

b/ Frequency: In normal condition, the permitted frequency deviation of the electric system is ± 0.2 Hz compared with the nominal

frequency of 50 Hz. The permitted frequency deviation is ± 0.5 Hz for power grids that have not been stable after incidents.

2. The Ministry of Industry and Trade shall promulgate regulations on electric power quality standard for the electric system.

3. The buyers of electricity for production, business and services having their own transformer stations or having no transformer stations but the maximum capacity of 40 kW or more shall:

a/ Register the subload charts and the technical and technological properties of electrical equipment with the electricity sellers;

b/ Ensure coefficient $\cos\phi \geq 0.9$ at the place where electricity-metering or -counting equipment is installed when the electric system ensures electric power quality according to Clause 1 of this Article;

c/ Install reactive power compensation equipment for coefficient $\cos\phi < 0.9$ to raise coefficient $\cos\phi \geq 0.9$ or buy more reactive power output from the electric system of the electricity sellers.

Within one year from the date this Decree takes effect, the electricity buyers are not required to buy reactive power output when implementing output coefficient $\cos\phi$ of 0.85 or higher;

d/ Ensure technical standards on harmonic waves, voltage fluctuations and voltage flickers under regulations.

4. In case the electricity buyers are capable of generating reactive power output to the electric system and the electricity sellers want

to buy reactive power output, the two parties may agree on the purchase and sale of reactive power output through contracts.

5. In special cases, the electricity buyers and sellers may agree on the quality of electric power different from standards prescribed in Clause 1 of this Article.

6. The Ministry of Industry and Trade shall guide the purchase and sale of reactive power output prescribed in this Article.

Article 16. Electricity measurement and counting

1. When changing electricity-metering and -counting devices, electricity buyers and sellers shall sign a minutes certifying technical parameters of the electricity-metering and-counting devices and meter readings.

2. In case electricity-metering and -counting devices are lost or damaged, the two parties shall sign a minutes to identify the reasons and responsibilities of related parties. In case of failing to identify the reason that it is the fault of the electricity buyers, the electricity sellers shall repair or replace new electricity-metering and-counting devices and continue supplying electricity to the electricity buyers.

3. The new electricity user shall notify the electricity seller to inspect the electricity-metering and-counting system when receiving the place of electricity use with electricity-metering and-counting devices. Pending notification to the electricity sellers, the electricity users shall take responsibility for the received electricity-metering and-counting devices. The electricity sellers shall continue supplying electricity, inspect the electricity-

metering and-counting system and sign electricity purchase and sale contracts when the new electricity users satisfy all conditions.

4. The Ministry of Industry and Trade shall regulate electricity measurement and counting in the electric system; and the collection, transmission and management of automatic measurement data in the electric system.

Article 17. Recording of electricity meter readings

1. For electricity purchase and sale for daily-life purpose, the electricity sellers shall record electricity meter readings once a month on a fixed date. The time of recording electricity meter readings may be changed one day earlier or later, except for *force majeure* circumstances.

2. For electricity purchase and sale not for daily-life purpose, the recording of electricity meter readings of the electricity sellers is specified as follows:

a/ Recording electricity meter readings once a month for below 50,000 kWh/month;

b/ Recording electricity meter readings twice a month for between 50,000 and 100,000 kWh/month;

c/ Recording electricity meter readings three times a month for more than 100,000 kWh/month.

3. For electricity buyers using electricity less than 15 kWh/month, the cycle for recording electricity meter readings may be agreed upon by the two parties.

4. For electricity wholesale, the recording of electricity meter readings may be agreed upon

by the two parties in the contract.

5. The electricity sellers shall ensure the accuracy of recorded electricity meter readings.

Article 18. Responsibilities of electricity buyers to protect electricity meters

1. To protect electricity meters under their management as agreed in electricity purchase and sale contracts. To compensate for lost electricity meters; if damaging the meters, to pay for their repair and inspection.

2. Not to dismantle and move electricity meters without permission. To obtain the electricity sellers' permission and pay for the move when wishing to move electricity meters to another position.

Article 19. Inspection of electricity-metering and counting devices subject to complaint

1. Provincial-level Departments of Industry and Trade are the state management agencies in charge of electricity activities and use in localities and shall organize the inspection of electricity-metering and counting devices at the request of electricity buyers according to Clause 3, Article 25 of the Electricity Law.

2. Independent inspection organizations invited by provincial-level Departments of Industry and Trade to inspect electricity-metering and counting devices must have no rights and interests related to the electricity buyers and have not been involved in inspecting electricity-metering and counting devices subject to complaint.

Article 20. Electricity charge payment

1. Electricity bills must be made according to the cycle of recording electricity meter readings. The form of notice of electricity charge payment may be agreed upon by the two parties in the electricity purchase and sale contracts.

2. In case electricity-metering and -counting devices are imprecise compared with stipulated standards, payable electricity charges according to Article 23 of the Electricity Law and Clause 9, Article 1 of the Law Amending and Supplementing a Number of Articles of the Electricity Law are determined as follows:

a/ If the time during which electricity-metering and -counting devices operate improperly can be determined, the electricity sellers shall refund the overpaid charge amount already collected or collect the deficient electricity charge amount from the electricity buyers;

b/ If the time during which electricity-metering and -counting devices operate fast cannot be determined, the electricity sellers shall refund the collected overpaid charge amount calculated based on one cycle of recording meter readings, excluding the current cycle of electricity use which has not reached the date of recording meter readings.

3. In case the electricity buyers still use electricity during the time the electricity meters stop working due to a damage to the system of electricity-metering and -counting devices, payable electricity charge must be determined by multiplying the daily average electricity of three preceding cycles of recording meter readings and the number of days of actual use of electricity. The number of days of actual

use of electricity is counted from the time the electricity meters stop working saved in the electricity meters' memory or the last day of recording meter readings in case the electricity meters fail to record the time of ceasing operation, to the day the electricity-metering and -counting devices system resumes operation.

4. In case the electricity buyers still use electricity during the time the electricity meters are lost, payable electricity charges must be determined by multiplying the daily average electricity of three preceding cycles of recording meter readings and the number of days of actual use of electricity. The number of days of actual use of electricity is calculated from the last day of recording meter readings to the day electricity meters are installed and operate.

5. Payment of electricity charges via the banking system and at the electricity sellers' charge collection places is encouraged.

6. Organizations and individuals competent to organize the conciliation of electricity charge payment disputes according to Clause 5, Article 23 of the Electricity Law are provincial-level Departments of Industry and Trade or other organizations, individuals as agreed upon by the two parties.

Article 21. Right to enter the electricity buyers' management areas

Persons assigned by the electricity units to the electricity buyers' management areas to perform duties according to Point c, Clause 1, Article 41, Point d, Clause 1, Article 43 and Point dd, Clause 1, Article 44 of the Electricity

Law shall present to the electricity buyers one of the following papers:

1. The electricity inspector card for electricity inspection activities.

2. The staff card granted by the electricity seller to its workers recording electricity meter readings, maintaining, repairing and replacing electricity devices of electricity distribution units.

Article 22. Electricity purchase and sale with foreign countries

1. Agencies competent to permit the electricity purchase and sale with foreign countries prescribed in Clause 1, Article 28 of the Electricity Law include:

a/ The Prime Minister, who shall approve in principle the electricity purchase and sale with foreign countries through the national power grid at a voltage of 220 kV or higher. The Ministry of Industry and Trade shall consider the electricity units' proposals to purchase and sell electricity with foreign countries, then submit them to the Prime Minister;

b/ The Ministry of Industry and Trade, which shall approve in principle the electricity purchase and sale with foreign countries through the national power grid at a voltage of below 220 kV at the request of electricity units.

2. Electricity users in border areas mentioned in Clause 3, Article 28 of the Electricity Law may only directly purchase electricity from foreign countries at the voltage of 0.4 kV and must fully satisfy the following conditions:

a/ Being Vietnamese citizens;

b/ Having the electric use capacity of below 10 kW and being unable to connect to the national power grid or the local electricity network;

c/ The whole electricity network from the borderline to the place where electricity is used is invested and managed by the electricity buyers;

d/ Ensuring electricity safety standards and technical regulations;

dd/ Obtaining the approval of the district-level People's Committees.

3. Provincial-level People's Committees shall guide, manage, supervise, and inspect the purchase of electricity from foreign countries prescribed in Clause 2 of this Article.

Article 23. Responsibilities to report on electricity production and business costs and make financial statements

1. Electricity units shall report on electricity production and business costs and send annual audited financial statements to the Electricity Regulatory Authority.

2. The Ministry of Industry and Trade shall specify electricity units having the responsibility to report; guide the report contents and the order of making reports on electricity production and business costs, and examine and certify electricity production and business cost of electricity units prescribed in Clause 1 of this Article.

Article 24. Approval of electricity prices and charges

1. The Ministry of Industry and Trade shall specify methods, the order of setting and appraisal of electricity generation price brackets, electricity wholesale price brackets, electricity transmission prices, electric system support service prices, electric system operation regulation charges and electricity market transaction administration charges after consulting the Ministry of Finance.

2. The Minister of Industry and Trade shall approve:

a/ Charges for electric system operation regulation and electricity market transaction administration charges after consulting the Ministry of Finance;

b/ Electricity generation price brackets, electricity wholesale price brackets, electricity transmission prices, electric system support service prices, electric system operation regulation charges except the case prescribed in Clause 22, Article 1 of the Law Amending and Supplementing a Number of Articles of the Electricity Law.

Article 25. Dual-component electricity price

To apply dual-component electricity prices comprising capacity price and electric power price. The Ministry of Industry and Trade shall formulate a roadmap and subjects of application to be submitted to the Prime Minister for approval.

Article 26. Electricity generation prices and electricity wholesale prices

1. Electricity generation and wholesale prices according to electricity purchase and sale

contracts with a definite term are agreed upon by electricity buyers and sellers according to the method guided by the Ministry of Industry and Trade, but must not exceed the price brackets already approved by competent state agencies.

2. In the course of negotiation, when electricity generation and wholesale prices have not yet been agreed for the conclusion of electricity purchase and sale contracts with a definite term, the Ministry of Industry and Trade shall decide on temporary prices for application until electricity buyers and sellers reach agreement on official prices.

3. The Ministry of Industry and Trade shall guide the implementation of Clauses 1 and 2 of this Article.

Article 27. Examination of electricity purchase and sale contracts with a definite term.

1. The Electricity Regulatory Authority shall examine the following types of contracts:

a/ Electricity purchase and sale contracts with a definite term between electricity generation units and electricity purchasers; support service contracts between electricity generation units and electric system and market operation units;

b/ Electricity wholesale contracts with a definite term on the electricity wholesale market; the Electricity Corporation's electricity purchase contracts with a definite term.

2. The contents of examination comply with Article 22 of the Electricity Law.

3. The Ministry of Industry and Trade shall promulgate the model contracts, the orders of examination of types of contracts prescribed in Clause 1 of this Article, and handle contracts made in violation of regulations.

Article 28. General conditions for the grant, modification, supplementation of electricity activity licenses.

Organizations and individuals may be granted electricity activity licenses and have these licenses modified or supplemented when fully satisfying the following conditions:

1. Being organizations or individuals established and operating in accordance with law, including:

a/ Enterprises of all economic sectors established and operating under the Law on Enterprises;

b/ Cooperatives established and operating under the Law on Cooperatives;

c/ Business households and individuals having business registration certificates as prescribed by law;

d/ Other organizations lawfully established and operating.

2. Their business lines relevant to the fields requested for licenses.

3. Having valid dossiers of application for the grant, modification or supplementation of electricity activity licenses.

4. Having paid fees and appraisal charges for the grant of electricity activity licenses according to regulations.

Article 29. Conditions for the grant of electricity generation licenses

In addition to the general conditions prescribed in Article 28 of this Decree, organizations registering for electricity generation must satisfy the following conditions:

1. Having feasible power plant construction investment projects conformable with the approved electricity development master plans. Having technical equipment, vehicles, workshops and architectural works compliant with the approved technical designs, which have been built, installed and pre-acceptance tested according to regulations.

2. Persons directly engaged in technical management and operation possess university or higher degrees in electrical engineering or relevant technical discipline and have at least five years' working experience in electricity generation. Persons directly involved in operation have been trained in relevant disciplines and in safety, and trained in power plant and electricity market operation and granted certificates in the field according to regulations.

3. Having an information technology infrastructure system, and a control, supervision and data collection system meeting the requirements of the electric system and electricity market according to regulations.

4. Devices subject to strict labor safety requirements must be inspected and meet technical requirements.

5. Having a report on assessment of environmental impacts and an environmental

protection commitment paper of the electricity generation project which have been approved or accepted by competent state agencies in conformity with the law on environmental protection.

6. Having a fire prevention and fighting system for the power plant which has been pre-acceptance tested by competent state agencies in accordance with law.

7. Having a reservoir operation process for the hydropower plant which has been approved by competent state agencies.

8. Legal documents on the safety of hydropower dams for hydropower plants as prescribed by law.

Article 30. Conditions for the grant of electricity transmission licenses

In addition to the general conditions prescribed in Article 28 of this Decree, organizations registering for electricity transmission must satisfy the following conditions:

1. Having technical equipment, vehicles, workshops and architectural works compliant with the approved technical designs, which have been built, installed and pre-acceptance tested according to regulations and meet the requirements of operation, maintenance, repair and examination of electricity transmission lines, transformer stations, switching stations, reactive power compensation stations, and the accompanying synchronous devices in the electricity transmission system; a fire prevention and fighting system meeting requirements according to regulations.

2. Persons directly involved in technical management possess university or higher

degrees in electrical engineering and at least five years' working experience in electricity transmission. Persons directly involved in operation have been trained and examined in the operation process and electricity safety regulations in accordance with law.

Article 31. Conditions for the grant of electricity distribution licenses

In addition to the general conditions prescribed in Article 28 of this Decree, organizations registering for electricity distribution must satisfy the following conditions:

1. Having technical equipment, vehicles, workshops and architectural works compliant with the approved technical designs, which have been built, installed and pre-acceptance tested according to regulations and meet the requirements of operation, maintenance and repair of electricity distribution grids, transformer stations, and the accompanying synchronous devices; a fire prevention and fighting system meeting requirements according to regulations.

2. Persons directly involved in technical management possess university or higher degrees in electrical engineering and at least five years' working experience in electricity distribution. Persons directly involved in operation have been trained in electrical engineering or possess an electrical engineering training certificate granted by a vocational training institution, have been examined in the operation process and electricity safety regulations in accordance with law, except the case prescribed in Clause 3 of this Article.

3. Organizations and individuals conducting electricity distribution in rural areas must satisfy the following conditions: Persons directly engaged in technical management and operation have been trained in electrical engineering and have at least three years' working experience with power grids. Persons directly involved in electricity operation and repair have been trained in electrical engineering or possess an electrical engineering training certificate granted by a vocational training institution, have been trained and tested in electricity safety and granted electricity safety cards in accordance with law.

Article 32. Conditions for the grant of electricity wholesale licenses

In addition to general conditions prescribed in Article 28 of this Decree, organizations and individuals registering for electricity wholesale activities must satisfy the following conditions:

1. Persons directly involved in electricity wholesale business management possess a university or higher degree in electrical engineering, economics, finance or similar disciplines and have at least five years' working experience in electricity trading.

2. Technical managers possess a university or higher degree in electrical engineering and have at least three years' working experience with power grids at corresponding voltage levels.

3. Persons directly involved in operation have been trained in electrical engineering or have an electrical engineering training certificate granted by a vocational training institution and have been trained in electricity

safety according to regulations.

4. Having an information technology infrastructure system meeting the requirements of the electricity market.

Article 33. Conditions for the grant of electricity retail licenses

In addition to the general conditions prescribed in Article 28 of this Decree, organizations and individuals registering for electricity retail activities must satisfy the following conditions:

1. Persons directly involved in electricity retail management possess an intermediate or higher degree in electrical engineering, economics, finance or similar disciplines and have at least five years' working experience in electricity trading.

2. Persons directly involved in operation have been trained in electrical engineering or have an electrical engineering training certificate granted by a vocational training institution and have been trained in electricity safety according to regulations.

3. Having an information technology infrastructure system meeting the requirements of the electricity market.

Article 34. Conditions for the grant of electricity import or export licenses

Organizations registering for the electricity purchase and sale with foreign countries must satisfy the general conditions prescribed in Article 28 of this Decree and the following conditions:

1. The electricity purchase and sale with foreign countries have been approved in

principle according to Article 22 of this Decree.

2. The plan on electricity purchase and sale with foreign countries has been appraised by the Electricity Regulatory Authority of Vietnam.

3. Persons directly involved in electricity business management possess a university or higher degree in electrical engineering, economics and finance or similar disciplines and have at least five years' working experience in electricity purchase and sale.

4. Persons directly involved in technical management possess a university or higher degree in electrical engineering or relevant disciplines and have at least five years' working experience in electricity distribution and business.

Article 35. Conditions for the grant of national electricity development master plan consultancy licenses

In addition to the general conditions prescribed in Article 28 of this Decree, organizations registering for national electricity development master plan consultancy activities must satisfy the following conditions:

1. Being specialized consultancy organizations with professional capacity of planning primary energy forms, forecast of demands, research and analysis of consumption markets, calculation and optimal analysis of plans on the electricity system, technical analysis of the electricity system operation and economic and financial analysis of projects.

2. Having a team of key and other consultants having experience in types of power plants,

electric systems, economics-finance and environment.

3. Key consultants possess a university or higher degree in electrical engineering, energy economics, economics or finance or similar discipline, have at least five years' working experience in master plan consultancy and have been involved in formulating at least one national electricity development master plan.

4. In addition to the conditions prescribed in Clause 3 of this Article, key consultants acting as major consultants must have worked as heads of projects or taken charge of formulating at least one provincial-level electricity development master plan.

5. The numbers of key consultants in specific professional fields are as follows:

a/ Five or more experts, including at least one major consultant, in electric load demand forecasting;

b/ Eight or more experts, including at least one major consultant, in calculation, optimal analysis of electricity source and grid development;

c/ Five or more experts, including at least one major consultant, in economics-finance and investment;

d/ Two or more experts, including at least one major consultant, in technology and environment.

6. Having necessary technical facilities and means and application software meeting the requirements of formulating national electricity development master plans.

Article 36. Conditions for the grant of provincial-level electricity development master plan consultancy licenses.

In addition to the general conditions prescribed in Article 28 of this Decree, organizations registering for provincial-level electricity development master plan consultancy activities must satisfy the following conditions:

1. Being specialized consultancy organizations with professional capacity of planning development of power grids, study and forecast of load, calculation and optimal analysis of transmission and distribution networks, and economic and financial analysis of projects.

2. Having a team of key and other consultants having experiences in forecasting load, power grid structure and operation regime and economic and financial analysis of projects.

3. Key consultants possess a university or higher degree in electrical engineering, energy economics, economics or finance or similar disciplines, have at least five years' working experience in master plan consultancy and have been involved in formulating at least one provincial-level electricity development master plan.

4. In addition to the conditions prescribed in Clause 3 of this Article, key consultants acting as major consultants have been involved in formulating at least three provincial-level electricity development master plans.

5. The numbers of key consultants in specific professional fields are as follows:

a/ Three or more experts, including at least one major consultant, in electric load demand forecasting;

b/ Five or more experts, including at least one major consultant, in calculation and optimal analysis of electric system and technology;

c/ Two or more experts, including at least one major consultant, in economics-finance and investment.

6. Having necessary technical facilities and means and application software meeting the requirements of formulating provincial-level electricity development master plans.

Article 37. Conditions for the grant of hydropower master plan consultancy licenses

In addition to the general conditions prescribed in Article 28 of this Decree, organizations registering for hydropower master plan consultancy activities must satisfy the following conditions:

1. Being specialized consultancy organizations with professional capacity in hydropower works, hydrology, hydropower, engineering geology, hydropower construction and other fields related to the formulation of hydropower master plans.

2. Having a team of key and other consultants having experience in hydrology, hydropower works, engineering geology, hydropower and hydropower construction.

3. Key consultants possess a university or higher degree in electrical engineering, hydropower or similar disciplines, have at

least five years' working experience in master plan consultancy and have been involved in formulating at least one hydropower master plan.

4. The numbers of key consultants in professional fields are as follows:

a/ Two or more experts, in hydropower and hydrology;

b/ Two or more experts, in energy economics;

c/ Three or more experts, in hydraulic power and hydropower works;

d/ Two or more experts, in geology and geo-technics;

dd/ One or more experts, in structure;

e/ One or more experts, in the organization of construction.

5. Having necessary technical equipment and facilities and application software meeting the requirements of formulating hydropower master plans.

Article 38. Classification of grades of power works construction investment and supervision consultancy

1. Conditions for operating in the fields of construction investment and supervision consultancy of power works only apply to work items directly related to electrical engineering, while construction-related work items comply with the law on construction.

2. The classification table of grades of electricity source and grid works for use in power works construction investment and supervision consultancy:

	Hydro-power	Thermal power	Power lines and transformer stations
Grade 1	Over 300 MW	Over 300 MW	Over 220 kV
Grade 2	Up to 300 MW	Up to 300 MW	Up to 220 kV
Grade 3	Up to 100 MW		Up to 110 kV
Grade 4	Up to 30 MW		Up to 35 kV

Depending on professional qualifications and capacity, the organizations providing consultancy on power works construction investment may register one or many activities: formulation of investment projects, base designs, technical designs, and construction technical designs, and bidding for hydropower and thermal power plant works, power lines and transformer stations.

3. Power plants using renewable energy according to the principle of using water, wind and solar energy are classified and apply conditions for the grant of power works construction investment and supervision consultancy licenses which are similar to those applicable to hydropower plants.

4. Power plants using renewable energy according to the principle of transformation from thermal energy are classified and apply conditions for the grant of power work construction investment and supervision consultancy licenses applicable to thermal power plants.

Article 39. Conditions for the grant of hydropower plant construction investment consultancy licenses

In addition to the general conditions prescribed in Article 28 of this Decree, organizations registering for consultancy activities for hydropower plant construction investment must satisfy the following conditions:

1. Being specialized consultancy organizations with professional capacity in technology, hydropower plants, technical, economic and financial analysis of projects, assessment of environmental impacts.

2. Having a team of key and other consultants having experiences in hydropower work equipment, electrical equipment, water treatment, automatic control, hydropower works, hydrology, hydropower, meteorology, engineering geology, geo-technics, structure, organization of construction of hydropower plants and other fields related to types of hydropower plants.

3. Key consultants possess a university or higher degree in electrical engineering, hydropower, irrigation, geology, environment, economics, finance or similar disciplines, have at least five years' working experience in consultancy, have been involved in designing at least one hydropower plant project of equivalent capacity, and possess a relevant construction practice certificate.

4. In addition to the conditions prescribed in Clause 3 of this Article, key consultants acting as major consultants have worked as heads of projects or taken charge of designing

hydropower plant projects of equivalent capacity or have been involved in designing at least three hydropower plant projects of equivalent capacity.

5. Having necessary technical facilities and means and application software for hydropower plant investment and construction consultancy.

6. The numbers of key consultants in grades of hydropower works are as follows:

a/ For grade 1: Twenty-five or more experts, including at least one major consultant;

b/ For grade 2: Twenty or more experts, including at least one major consultant;

c/ For grade 3: Fifteen or more experts, including at least one major consultant;

d/ For grade 4: Ten or more experts, including at least one major consultant.

Article 40. Conditions for the grant of thermal power plant construction investment consultancy licenses

In addition to the general conditions prescribed in Article 28 of this Decree, organizations registering for thermal power plant construction investment consultancy must satisfy the following conditions:

1. Being specialized consultancy organizations with professional capacity in thermal power plant technology and works, technical, economic and financial analysis of projects and assessment of environmental impacts.

2. Having a team of key and other consultants having experiences in boilers, turbines, generators, electrical equipment, automatic control, engineering geology, geo-technics,

structure, organization of construction of thermal power plants and other fields related to types of thermal power plants.

3. Key consultants possess a university or higher degree in electrical engineering, thermal power, geology, economics, environment, finance or similar disciplines, have at least five years' working experience in consultancy, have been involved in designing at least one thermal power plant project with equivalent capacity, and possess a relevant construction practice certificate.

4. In addition to the conditions prescribed in Clause 3 of this Article, key consultants acting as major consultants must have worked as heads of projects or taken charge of designing thermal power plant projects with equivalent capacity or have involved in designing at least three thermal power plant projects with equivalent capacity.

5. Having necessary technical facilities and means and application software for thermal power plant work investment and construction consultancy.

6. The numbers of key consultants in grades of thermal power works are as follows:

a/ For grade 1: Twenty or more experts, including at least one major consultant;

b/ For grade 2: Ten or more experts, including at least one major consultant.

Article 41. Conditions for the grant of power line and transformer station construction investment consultancy licenses

In addition to the general conditions prescribed in Article 28 of this Decree,

organizations registering for consultancy activities for power line and transformer station work construction investment must satisfy the following conditions:

1. Being specialized consultancy organizations with professional capacity in work design, power line and transformer station equipment, relay protection, automatic control, assessment of environmental impacts, and economic and financial analysis of projects for power lines and transformer stations at appropriate voltage levels.

2. Having a team of key and other consultants having experiences in power lines, electrical equipment, automatic control, relay protection, project finance, geology, construction, organization of construction of power lines and transformer stations.

3. Key consultants possess a university or higher degree in electrical engineering, electric system, technical electricity, electrical equipment, automation, environment, economics, finance or similar disciplines, have at least five years' working experience in consultancy, have been involved in implementing at least one power line and transformer station project at equivalent voltage level, and possess a relevant construction practice certificate.

4. In addition to the conditions prescribed in Clause 3 of this Article, key consultants acting as major consultants have worked as heads of projects, taken charge of implementing power line and transformer station projects at equivalent voltage levels or have been involved in designing at least three power line and transformer station projects at equivalent voltage levels.

5. Having necessary technical facilities and means and application software for power line and transformer station investment and construction consultancy.

6. Having a number of key consultants according to the following grades of power lines and transformer stations:

a/ For grade 1: Twenty or more experts, including at least one major consultant;

b/ For grade 2: Fifteen 15 or more experts, including at least one major consultant;

c/ For grade 3: Ten or more experts, including at least one major consultant;

d/ For grade 4: Five or more experts, including at least one major consultant.

Article 42. Conditions for the grant of hydropower plant construction supervision consultancy licenses

In addition to the general conditions prescribed in Article 28 of this Decree, organizations registering for hydropower plant construction supervision consultancy must satisfy the following conditions:

1. Being specialized consultancy organizations with professional capacity in hydropower plant technology and works.

2. Having a team of key and other consultants having experiences in hydropower work equipment, electrical equipment, water treatment, automatic control, hydropower works, hydrology, hydropower, engineering geology, hydropower construction and other fields related to hydropower plants.

3. Key consultants possess a university or higher degree in electrical engineering,

economics, finance or similar disciplines, have at least five years' working experience in consultancy, have been involved in supervising the construction of at least one hydropower plant of equivalent capacity, and possess a hydropower work construction supervision practice certificate.

4. In addition to the conditions prescribed in Clause 3 of this Article, key consultants acting as major consultants have experience and have taken charge of supervising the construction of at least one hydropower plant of equivalent capacity or have been involved in supervising the construction of at least three hydropower plant projects of equivalent capacity.

5. Having necessary technical facilities and means and application software for supervising the construction of hydropower plants.

6. The numbers of key consultants according to grades of hydropower works are as follows:

a/ For grade 1: Twenty or more experts, including at least one major consultant;

b/ For grade 2: Seventeen or more experts, including at least one major consultant;

c/ For grade 3: Twelve or more experts, including at least one major consultant;

d/ For grade 4: Eight or more experts, including at least one major consultant.

Article 43. Conditions for the grant of thermal power plant construction supervision consultancy licenses

In addition to the general conditions prescribed in Article 28 of this Decree,

organizations registering for thermal power plant construction supervision consultancy must satisfy the following conditions:

1. Being specialized consultancy organizations with professional capacity in thermal power plant technology and works.

2. Having a team of key and other consultants having experiences in boilers, turbines, generators, electrical equipment, automatic control, engineering geology, thermal power construction and other fields related to types of thermal power plants.

3. Key consultants possess a university or higher degree in electrical engineering, geology, economics, finance or similar disciplines, have at least five years' working experience in consultancy, have been involved in supervising the construction of at least one hydropower plant work of equivalent capacity, possess a thermal power work construction supervision practice certificate.

4. In addition to the conditions prescribed in Clause 3 of this Article, key consultants acting as major consultants have taken charge of supervising the construction of at least one thermal power plant of equivalent capacity or have been involved in supervising the construction of at least three thermal power plant projects of equivalent capacity.

5. Having necessary technical facilities and means and application software for supervising the construction of thermal power plants.

6. The numbers of key consultants

according to grades of thermal power works are as follows:

a/ For grade 1: Twenty or more experts, including at least one major consultant;

b/ For grade 2: Fifteen or more experts, including at least one major consultant.

Article 44. Conditions for the grant of power line and transformer station construction supervision consultancy licenses

In addition to the general conditions prescribed in Article 28 of this Decree, organizations registering for power line and transformer station construction supervision consultancy must satisfy the following conditions:

1. Being specialized consultancy organizations with professional capacity in power line and transformer station technology and works.

2. Having a team of key and other consultants having experience in power lines, electrical equipment, automatic control, relay protection and organization of construction.

3. Key consultants possess a university or higher degree in electrical engineering, automation, economics, finance or similar disciplines, have at least five years' working experience in consultancy, have been involved in supervising the construction of at least one power line and transformer station at equivalent voltage level, and possess power line and transformer station construction supervision certificate.

4. In addition to the conditions prescribed in Clause 3 of this Article, key consultants

acting as major consultants have taken charge of supervising the construction of power lines and transformer stations at equivalent voltage levels or have been involved in supervising the construction of at least three power lines and transformer stations at equivalent voltage levels.

5. Having necessary technical facilities and means and application software for supervising the construction of power lines and transformer stations.

6. The numbers of key consultants according to grades of power lines and transformer stations:

a/ For grade 1: Twenty or more experts, including at least one major consultant;

b/ For grade 2: Fifteen or more experts, including at least one major consultant;

c/ For grade 3: Ten or more experts, including at least one major consultant;

d/ For grade 4: Five or more experts, including at least one major consultant.

Article 45. Modification and supplementation of electricity activity licenses

Electricity activity licenses may be modified and supplemented in the following cases:

a/ At the request of licensed organizations or individuals when there is a change in one of the contents of their electricity activity licenses.

b/ In necessary cases, for the purpose of protecting socio-economic interests and public welfare, licensing agencies may modify and supplement electricity activity licenses

related to power transmission and distribution. The modification and supplementation must conform with licensed units' capacity.

Article 46. Revocation of electricity activity licenses

1. Organizations and individuals will have their electricity activity licenses revoked in the cases prescribed in Article 37 of the Electricity Law.

2. Upon revocation of electricity activity licenses, competent agencies shall determine the time limit for electricity units to resume operation so as not to affect electricity supply.

3. Within 90 days from the date their licenses are revoked, electricity units have the right to complain with competent state agencies about the revocation.

Article 47. Fees and appraisal charges for the grant of electricity activity licenses

1. Organizations and individuals that are granted electricity activity licenses shall:

a/ Pay a fee for the grant of electricity activity licenses;

b/ Pay an appraisal charge for the grant of electricity activity licenses.

2. The Ministry of Finance shall detail the rates, collection, payment, management and use of fees and appraisal charges for the grant of electricity activity licenses prescribed in Clause 1 of this Article.

Article 48. Regulation of electricity activities

1. Contents of regulation of electricity activities comply with Clause 1, Article 66 of the Electricity Law and Clause 23, Article 1 of the Law Amending and Supplementing a Number of Articles of the Electricity Law.

2. The Electricity Regulatory Authority of Vietnam assists the Minister of Industry and Trade in implementing contents of regulation of electricity activities. The Minister of Industry and Trade shall submit to the Prime Minister specific regulations on the organizational structure, functions, tasks and powers of the Electricity Regulatory Authority of Vietnam.

Article 49. Inspection of electricity activities and use

1. The Ministry of Industry and Trade shall stipulate contents, competence, order and procedures for the inspection and settlement of disputes in electricity activities and use.

2. The Electricity Regulatory Authority of Vietnam and provincial-level People's Committees shall inspect, supervise and handle violations in electricity activities and use according to their competence. Provincial-level People's Committees shall arrange sufficient human resources for the inspection of local electricity activities and use.

3. Electricity units shall examine the observance of regulations on electricity use and electricity work and grid safety protection.

Article 50. Effect

1. This Decree takes effect on December 10, 2013.

2. The Government's Decree No. 105/2005/ND-CP of August 17, 2005, detailing a number of articles of the Electricity Law, ceases to be effective from the effective date of this Decree.

Article 52. Implementation responsibilities

1. The Minister of Industry and Trade shall guide the implementation of articles and clauses in the Electricity Law, the Law Amending and Supplementing a number of Articles of the Electricity Law and this Decree as assigned; and guide other necessary contents of this Decree to meet state management requirements.

2. Ministers, heads of ministerial-level and government-attached agencies, chairpersons of provincial-level People's Committees and related organizations and individuals shall implement this Decree.-

On behalf of the Government
Prime Minister
NGUYEN TAN DUNG