**MINISTRY OF INDUSTRY AND TRADE**

No: 18/2020/TT-BCT

**SOCIALIST REPUBLIC OF VIETNAM**

**Independence – Freedom - Happiness**

*Hanoi, July 17th, 2020*

# CIRCULAR
## Stipulating project development and sample Power Purchase Agreement applied for solar power projects

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*Pursuant to Decree No. 98/2017/ND-CP dated 18th August 2017 by the Government defining functions, tasks, power and organizational structure of the Ministry of Industry and Trade (MOIT);*

*Pursuant to Decision No. 13/2020/QD-TTg dated 6th April 2020 by the Prime Minister on incentive mechanism for developing solar power projects in Viet Nam;*

*At the request of the Director General of Electricity and Renewable Energy Authority (EREA),*

*Minister of Industry and Trade promulgates Circular on project development and sample Power Purchase Agreement (PPA) applied for solar power projects.*

## Chapter I
## GENERAL PROVISIONS

### Article 1. Governing scope

This Circular stipulates the development of grid-connected solar power projects, rooftop solar power systems and sample PPA applied for grid-connected projects and rooftop solar power systems in Viet Nam.

### Article 2. Subjects of application

This Circular is applied for organizations and individuals involved in the development of solar power projects in Viet Nam and other relevant organizations and individuals.

### Article 3. Interpretation of terms

1. Wp, KWp and MWp are measurement units of the direct current (DC) capacity of PV panels under standard conditions and publicized by the manufacturers.

2. Time-bound use of land and water surface areas for a grid-connected solar power project is the total area for constructions (including power plants and substations and excluding transmission lines and roads to the power plants).

## Chapter II

## SOLAR POWER DEVELOPMENT

### Article 4. Grid-connected solar power investment project

1. Power purchase price

a) If a grid-connected solar power project has its investment policy approved by competent authorities before 23rd November 2019 and the commercial operation date (COD) (after completing initial comisssioning for the whole or a part of work; acquirig operating license for power generation; confirming the meter reading between the power Seller and Buyer for payment calculation) of the whole or a part of project in the period from 1st July 2019 to 31st December 2020, the wole or a part of that project will be applied with the Feed-in Tariff of grid-connected solar power projects at the electricity delivery point stipulated in the Appendix of Decision No. 13/2020/QD-TTg dated 6th April 2020 by the Prime Minister on incentive mechanism for developing solar power projects in Vietnam.

b) The grid-connected solar project in Ninh Thuan province has the power selling price determined on the order of recognition time of COD (after completing initial comisssioning for the whole or a part of work; acquiring operating license for power generation; confirming the meter reading between the power Seller and Buyer for payment calculation) of the whole or a part of the project. Speciffically,

The capacity of a part or the whole of the project with COD before 1st January 2021 is included in the total accumulative capacity of no more than 2,000 MW applied with the power selling price in clause 3, Article 5 of Decision No. 13/2020/QD-TTg dated 6th April 2020 by the Prime Minister on incentive mechanism for developing solar power projects in Vietnam;

The capacity of a part or the whole of the project which does not belong to the total accumulative capacity of 2,000 MW and has its investment policy approved by competent authorities before 23rd November 2019 and COD in the period from 1st July 2019 to 31st December 2020 will be applied with the power selling price in clause 1, Article 5 of Decision No. 13/2020/QD-TTg dated 6th April 2020 by the Prime Minister on incentive mechanism for developing solar power projects in Vietnam.

2. Contents of the basic design document of a solar power project comply with the current law and following requirements:

a) Characteristics of the area and solar radiation potential of the project;

b) assessment of impacts of the solar power project connection plan on safe and stable operation of the power system in the area;

c) Design and connection of the SCADA system or load dispatch information.

3. Land and water surface areas under time-bound use of the project is no more than 1.2 ha/01 MWp.

**Article 5. Development of the rooftop solar system:**

1. Feed-in Tariff (FiT)

a) Power buyer is the EVN: The FiT of the rooftop solar system follows Article 8 of Decision No. 13/2020/QD-TTg dated 6th June 2020 by the Prime Minister on incentive mechanism for developing solar power projects in Viet Nam.

b) Power buyer is not the EVN: The FiT is decided by negotiations between the Buyer and Seller.

2. Sequence of implementation for the rooftop solar power system:

a) The power Seller (Seller) registers its grid connection with the power Buyer (Buyer) and provides information on installation location, capacity (no more than 01 MW and 1,25 MWp), transmission line and expected connection point to the Buyer.

b) The Buyer gives feedback on the ability of connection and capacity transmission of the rooftop solar system of the Seller registering its grid connection with the Buyer. The response time is no more than 5 business days since the date that the Buyer receives the Seller's registration.

c) The Seller and the Buyer realize the agreement for connecting the Seller's rooftop solar system to the Buyer's grid system. If the rooftop solar system of the Seller is connected to the grid which is not the Buyer's asset or the grid of a power distribution and retail unit, the Buyer and the Seller will negotiate with the grid owner (organization or individual) to implement the connection agreement. The Buyer receives all grid connection documents and the written connection agreement of the grid owner (if any).

d) The Seller installs the rooftop solar system with size satisfying contents at points b and c, clause 2 of this Article.

e) The Seller sends request documents for electricity sale from the rooftop solar system including the request letter for electricity sale; technical documents of the PV panel and AC/DC inverter; transmission lines and transformer (if any); factory certificate and equipment quality certificate (certified true copy).

f) Stakeholders conduct the technical examination and installation of electric meter; meter reading confirmation; signing of PPA and power generation to put the

rooftop solar system into operation. Deadline for the Buyer to sign the PPA is 5 business days since the date of receiving request documents for electricity sale from the Seller. In case that the Buyer is the EVN or its authorized member, then the Buyer and the Seller shall sign the PPA according to regulations at clause 2 of Article 8 of this Circular.

g) Upon specific conditions and technical requirements of each individual rooftop solar power system, the Seller and the Buyer shall decide whether the implementation sequence is chronological or combined at the same time with items and tasks stated at points c, d, e and f of clause 2 of this Article.

3. The Seller shall ensure that the AC/DC inverter has the anti-islanding function when the grid has no power to avoid the interference into and control of operation and follows legal norms and regulations on power quality.

4. The rooftop solar system is exempted from the operating license for power generation.

## Chapter III

## SAMPLE POWER PURCHASE AGREEMENT

### Article 6. Contents of the sample Power Purchase Agreement (PPA)

1. Contents of the sample PPA applied for grid-connected solar power projects are stipulated in Appendix 1 attached to this Circular.

2. Contents of the sample PPA applied for rooftop solar power systems are stipulated at Appendix 2 attached to this Circular.

3. Besides contents stipulated at clauses 1 and 2 of this Article, the Seller and the Buyer are only allowed to supplement contents to the sample PPA for clarification of responsibilities and power of each party. Supplementary contents should be consistent with contents of the sample PPA which is promulgated in attachment with this Circular.

## Chapter IV

## IMPLEMENTATION

### Article 7. Responsibilities of state management agencies

1. The EREA is responsible for:

a) Communicating, guiding and examining the implementation of this Circular.

b) Summarizing problems and difficulties and reporting them to the Minister of Industry and Trade for the review, amendment and supplementation of this Circular.

2. Provincial People’s Committees (PPCs) are responsible for

a) Monitoring, examining and supervising the development of solar power in relevant localities in conformity to the current law.

b) Making a written report (with form in Appendix 3 attached to this Circular) on business registration and implementation of grid-connected solar projects arising in provinces during the reporting period and sending it to the MOIT before 15th January every year for monitoring and management.

**Article 8. Responsibilities of relevant organizations and individuals**

1. The Buyer is responsible for:

a) Widely communicating contents of connection agreement and signing of the PPA, testing and commissioning applicable to the rooftop solar system; making a report on the rooftop solar system development throughout the country every 6 months and sending it to the MOIT.

b) Examining and monitoring the operation of solar power plants (including rooftop solar power and grid-connected solar power) in accordance with the law. In case of discovering penetration, interference or equipment supervision software containing contents which violate the law, temporarily stop the connection between the power plant and the national grid, draft the minutes and report to the MOIT for solutions.

2. The Seller is responsible for:

a) Complying with regulations on the operation and load dispatch of the power system as well as on the power transmission and distribution systems promulgated by the MOIT.

b) Regularly examining the operation and performance-monitoring software of solar power equipment to ensure the compliance with legal regulations and avoid externally unauthorized intervention and penetration.

c) Not acting against the law to ensure information safety.

d) Protecting the environment, controlling fire and explosion and ensuring electricity safety in accordance with the law.

e) Clearing, removing, returning the site plan and disposing all materials, equipment of solar power structures during the development and operation or after the conclusion of the grid-connected solar power project and rooftop solar power system in line with legal regulations on environment.

**Article 9. Transitional provisions**

1. The whole or a part of the solar power project with its PPA signed and COD regonized before July 1st 2019 will continue to be implemented in accordance with the signed PPA.

2. In case grid-connected solar power projects (including the whole or a part of the project) and rooftop solar power systems have CODs after June 30th 2019 to the day before effective date of this Circular, the Buyer and Seller are allowed to revise and re-sign the signed PPA following the sample PPA regulated at Article 6 of this Circular.

**Article 12. Implementation effectiveness**

1. This Circular takes effect from August 31st 2020. Circular No. 16/2017/TT-BCT dated 12th September 2017 and Circular No. 05/2019/TT-BCT dated 11th March 2019 by the MOIT on project development and the sample PPA applied for solar power projects becomes invalid from the effective date of this Circular./.

***Recipients:***
- Prime Minister, Deputy Prime Ministers;
- Ministers, Ministerial-level agencies, Governmental agencies;
- People's committees of provinces and centrally-run cities;
- Official Gazette;
- Website of the Government;
- Websites of the MOIT and EREA;
- The Ministry of Justice (Department of Examination of Legal Normative Documents)
- The EVN;
- Archive: Document-servicing Department, EREA, Department of Legal Affairs.

**ON BEHALF OF THE MINISTER**
**VICE MINISTER**

**Hoang Quoc Vuong**

## APPENDIX 1

## SAMPLE POWER PURCHASE AGREEMENT

*(Issued with Circular No. 18/2020/TT-BCT dated 17th July 2020 of Minister of Industry and Trade on project development and sample Power Purchase Agreement applied for solar power projects)*

**CONTENTS**

The sample Power Purchase Agreement

Appendix A: Agreement on the power system connection

Appendix B: Technical specifications of major works under the Project

Appendix C: System of metering and data collection

Appendix D: Requirements prior to the commercial operation date

Appendix E: Payment for electricity bill

Appendix F: Other agreements (if any)

**SAMPLE POWER PURCHASE AGREEMENT FOR THE SOLAR POWER PROJECT OF (name)**

**BETWEEN**

**[NAME OF THE POWER SELLER]**

**as the "Seller"**

**and**

**[NAME OF THE POWER BUYER]**

**as the "Buyer"**

**Agreement No:.……**

**[Place of signing], dated… 20…**

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**SOCIALIST REPUBLIC OF VIETNAM**
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# POWER PURCHASE AGREEMENT

**No:**

Pursuant to:

- The 2015 Civil Code;

- The 2005 Commercial Law;

- The 2004 Electricity Law; the Law on amending and supplementing a number of articles of the Electricity Law dated 20th November 2012;

- Decree No. 137/2013/ND-CP dated 21st October 2013 by the Government detailing implementation of a number of articles of the Electricity Law and the Law on amending and supplementing a number of articles of the Electricity Law;

- Decision No. 13/2020/QD-TTg dated 6th April 2020 by the Prime Minister on incentive mechanism for developing solar power projects in Viet Nam (Decision No. 13);

- Circular No. …/2020/TT-BCT dated … 2020 by the Minister of Industry and Trade on project development and sample PPA applied for solar power projects (Circular No. …);

- Decision No. … dated … 20 of [name of the investor] approving the construction project [name of the project];

- Demand for power purchase of the two parties,

Today, on …, at …

We are:

**The Seller:**

Address: _____

Tel.: _____Fax: _____

Tax code: _____

Account number: _____ Bank name: _____

Represented by: _____

Job title: _____ (authorized by ____ _____ at the authorization document no. _____, dated dd/mm/yy)

(hereinafter referred to as "**the Seller**"); and

**The Buyer: _____**

Address: _____

Tel.: _____Fax: _____

Tax code: _____

Account number: _____ Bank name: _____

Represented by: _____

Job title: _____ (authorized by _____

_____ at the authorization document no. _____, dated dd/mm/yy)

(hereinafter referred to as "**the Buyer**").

To mutually enter into the Power Purchase Agreement on selling and buying electricity generated from the [Name of the project] solar power plant with the total installed capacity of [Capacity of the project] which is constructed and operated by the Seller at [Project location] with the following terms and conditions:

**Article 1. Definitions**

In this Agreement, the terms below are interpreted as follows:

1. Party or parties refer to the Seller and the Buyer or both Parties or the unit taking over rights and obligations of either party or both parties in this Agreement.

2. Connection point refers to the position at which the Seller's grid is connected to the Buyer's power system as agreed at Appendix A of this Agreement.

3. Delivery point is the place of installing electricity meter.

4. Power for sale is the power in kWh generated by the power plant minus the self-consumed electricity and losses of the Seller's power works that the Seller agrees to sell and deliver to the Buyer on an annual basis in accordance with Appendix C of this Agreement.

5. Agreement refers to this Agreement and its attached Appendices.

6. Inter-bank average interest rate refers to the inter-bank average interest rate for a term of 01 (one) month announced by the State Bank of Viet Nam (SBV) at the time of payment or before the latest point of time prior to the time of payment if the SBV does not announce the inter-bank average interest rate at the time of payment.

7. Agreement year refers to the solar calendar year with 12 (twelve) months from the first date of January to the last date of December of the year, excepting for the first agreement year which is calculated from the commercial operation date to the last date of December in the same year. The last Agreement year is ended on the last date of the Agreement term.

8. Payment due date is the deadline regulated in Article 4 of this Agreement.

9. Commercial operation date of the whole or a part of a grid-connected solar power project refers to the date when the whole or a part of the solar power work is

ready to sell electricity to the Buyer and satisfies the following requirements: (i) Completion of acceptance and initial commissioning of the whole or a part of the work in line with regulations; (ii) Acquisition of the operating license for power generation issued by the competent agency; (iii) Both parties conduct the meter reading for billing. The initial commissioning includes: (x) Testing the reactive power acquisition/generation ability; (xx) Testing the AGC connection; (xxx) Testing the reliability.

10. The power plant includes power generation equipment, protective equipment, connection equipment, relevant auxiliary equipment and land used for power works of the Seller.

11. Technical standards and regulations in the power sector refer to standards and regulations which are applied in the power sector and issued by Vietnamese competent agencies or standards and regulations which are issued by international organizations and regional countries in alignment with legal regulations and recommendations of the equipment manufacturer, taking into account conditions of materials, resources, fuels and techniques acceptable for Viet Nam's power sector in a specific period of time.

12. The metering system is the system of metering equipment (meter, measuring power inverter, measuring transformer, auxiliary equipment and secondary circuit linking such equipment into a system) to calculate the power output at the metering point.

13. The metering point is the physical location on the primary circuit, at which the power output is metered and calculated.

14. Regulations on national power system operation refers to legal documents and procedures regarding power system operation standards as well as conditions and procedures for a connection to the grid, operational dispatch of the power system and power metering in the transmission and distribution systems.

15. Emergency refers to a case which potentially causes disruption in the power supply service for the Buyer's clients, including events which potentially cause major breakdowns in the national power system, threaten lives and assets or have impacts on technical aspects of the power plant.

16. Force majeure refers to an objective event which is unpredictable and difficult to be immediately corrected despite necessary and reasonable efforts.

**Article 2. Electricity delivery, purchase and operation**

1. Electricity delivery

a) From the commercial operation date, the Seller agrees to deliver and sell electricity to the Buyer, and the Buyer agrees to buy electricity from the Seller in compliance with regulations of this Agreement.

b) The Seller enjoys benefits related to environment in accordance with the law and international treaties.

2. Electricity purchase price

a) Electricity purchase price at the delivery point complies with regulations of Article 5 of Decision No. 13.

b) Electricity purchase price stipulated at point a of clause 2 in this Article is only applied for the grid-connected solar power plants having commercial operation dates regulated at Article 5 of Decision No. 13.

c) Electricity bill: Method to identify the monthly electricity bill for a power plant is regulated at Appendix F of this Agreement.

d) The exchange rate applied at the time of payment is the central rate of VND for USD announced by the SBV on the day that the Seller exports electricity invoice or the latest day prior to the Seller's invoice exporting day if the SBV does not announce the exchange rate.

3. Power purchase

The Seller agrees to operate the power plant with the maximal capacity of [the plant's capacity in MW] and have design and equipment meeting technical standards and regulations of the power sector. The Seller has no legal responsibilities for the Buyer's direct damage resulted from the Seller's failure to supply sufficient power without any faults of the Seller. In case there is no written agreements from the Buyer, the Seller is not allowed to sell power to a third party or use power for other purposes rather than producing electricity to be sold to the Buyer.

The Seller is strictly prohibited from connecting other power generation systems outside the project stated in the Agreement through the project's current metering system.

4. Operational plan

The Seller develops and implements the operational plan in accordance with regulations on the national power system operation.

5. Blackout

The Seller should notify the Buyer of the blackout schedule and time of planned and unplanned repair in accordance with regulations on the national power system operation.

6. Grid operation

a) The Seller is responsible for managing, operating and maintaining equipment of the grid under their management scope as identified at the Connection Agreement with grid management units, ensuring the compliance with regulations on the national power system operation; technical standards, regulations of the power sector and on power purchase in accordance with the PPA.

b) The Seller should work and reach an agreement with the national power system operation management agency (according to its authorized dispatch level) with regard to the plan for power mobilization and solution for minimizing impacts on the regional transmission grid due to constraints related to regional load and grid.

7. Disruption in power receipt and purchase

The Buyer has no obligation to buy or receive power in the following cases:

a) The Seller's power plant fails to comply with regulations on the national power system operation and technical standards and regulations of the power sector;

b) During the time when the Seller installs equipment, repairs, replaces, assesses and tests the grid with direct relation to the connection of the Seller's power plant;

c) The Buyer's grid system connected to the grid at the connection point has a breakdown;

d) The Buyer's grid requires support for restoration after the breakdown in line with regulations on the national power system operation as well as technical standards and regulations of the power sector.

8. Disruption in power delivery and sale

The Seller can cut or reduce the power capacity sold and delivered to the Buyer in case of equipment installation, repair, replacement, accreditation, test or repair of the power plant that leaves direct impacts on power delivery to the Buyer.

Before cutting or reducing the power capacity delivered to the Buyer, the Seller should notify the Seller before at least 10 (ten) days and clearly state the reasons and planned time of starting and disrupting the power delivery.

9. Coordination

The Buyer is responsible for minimizing the time of reducing or stopping the receipt of power in cases stated at clause 7 of this Article. But for emergencies, during the time of temporarily reducing or stopping the receipt of power, the Buyer should notify the Seller before at least 10 (ten) days and clearly state reasons and planned starting and disruption time. If necessary, the Buyer should transfer to the Seller with operation dispatch commands received from the power system dispatch unit related to the plant operation and the Seller should comply with such commands unless they change the plant's mobilization characteristics.

10. Capacity coefficient

The Seller agrees to operate the power plant in synchronization with the Buyer's grid at the capacity coefficient identified by the current regulations on distribution and transmission systems at the Buyer's delivery point.

11. Confirmation of the commercial and synchronous operation dates

Within 02 (two) months before the tentative commercial operation date regulated in this Agreement, the Seller is responsible for sending the Buyer the draft procedure for commissioning and acceptance of the power plant in accordance with the current regulations, technical standards and technologies of the power plant so that the two parties reach an agreement on the commercial operation date and calculate the power capacity for trailing the power plant.

The Seller is responsible for notifying the Buyer in writing at least 30 (thirty) days before the first time of synchronous connection between the Seller's power generation units and the Buyer's grid. The Seller should coordinate with the Buyer in operation for the first and subsequent times of synchronous connection.

12. Standards

The Seller and the Buyer should adhere to regulations related to power delivery and receipt following regulations on distribution grid and power metering and other legal documents associated with the power sector.

13. Change of the commercial operation date

Within a term of 03 (three) to 06 (six) months before the commercial operation date stated in Appendix B, the Seller should officially confirm the change of the commercial operation date. Stakeholders should cooperate in changing the commercial operation date and the Buyer should not reject such change but for having plausible reasons.

**Article 3. Connection and metering**

1. Responsibilities at the power delivery point

The Buyer is responsible for investing in and installing equipment for the transmission and delivery of power to the Buyer at the power delivery point. The Buyer is responsible for cooperating with the Seller in such installation tasks.

2. Connection

a) The Seller is responsible for investing, constructing, operating and maintaining necessary equipment for connecting the plant to the transmission and distribution grids in accordance with regulations on the transmission and distribution grids and other relevant regulations. The Seller should bear costs of installing electricity meters at the power delivery point in compliance with regulations at Appendix C of this Agreement.

b) The Buyer is entitled to review the design and examine the sufficiency of protective equipment. The Buyer should notify the Seller of appraisal results within 30 (thirty) days from the date of receiving the valid technical design document. The Buyer should notify in written form all discovered design errors. The Seller should realize amendments and supplementations recommended by the Buyer in line with regulations on the national power system operation and technical standards and regulations of the power sector.

3. Connection standard

Equipment of the Buyer and the Seller should be installed, operated and connected in accordance with regulations on the national power system operation and technical standards and regulations of the power sector.

4. Examination of the implementation of connection standards

Upon the advance notification as for regulations, each party is entitled to examine the other party's connection equipment to ensure the implementation of

legal regulations on the national power system operation. This examination should not have any impacts on the examinee's performance. If the examinee's equipment fails to satisfy operation and maintenance conditions, the examiner should notify the examinee of points to be corrected. The examinee should take relevant corrective actions upon the reasonable request for corrective actions from the examiner.

5. Metering

a) The place of metering and technical specifications of metering systems are stipulated in Appendix C.

b) The Seller is responsible for investing, installing, accepting, managing, operating, maintaining and conducting initial and annual tests for equipment of the main and backup metering systems in line with the current legal regulations on power metering.

c) Periodic accreditation of metering equipment must be conducted. The accreditation period of the metering equipment system is regulated in the current law on measurement. The examination and accreditation of the metering equipment or the accuracy verification of the metering equipment shall be implemented by certified accreditation organizations and upon the agreement of both parties and shall follow the state's measurement equipment accreditation procedures. Metering equipment should be sealed with lead after accreditation. Accreditation fee is covered by the Seller.

d) If necessary, one party has the right to request additional test or irregular accreditation of the metering equipment and system. It should be notified 07 (seven) days in advance if requested by the Seller and 14 (fourteen) days in advance if requested by the Buyer; and the requested should give written response to the requester. The Seller is responsible for conducting examination and accreditation upon the Buyer's request. If the error of the metering equipment discovered in the irregular examination and accreditation exceeds the permitted limit, the Seller will pay fee for such irregular examination and accreditation. If the error of the metering equipment discovered in the irregular examination and accreditation is within the allowable limit, the fee will be covered by the requester.

e) The Seller is obligated to notify the Buyer of accreditation results of the metering equipment. The Seller is obligated to notify the Buyer in advance of the examination and accreditation of the metering system. The Buyer is responsible for assigning people to witness the process of testing, accrediting, removing seal and sealing the electricity meter with lead. If error of the metering equipment exceeds the allowable limit, the Seller is responsible for correcting or replacing the metering equipment. If one party finds that the metering equipment has breakdown or fails to operate properly, the incident should be notified to the other party. The Seller has an obligation to conduct test, repair and replacement. Test, repair and replacement should be carried out in the shortest time.

f) Traded power output between the Buyer and the Seller is identified by the power delivery – receipt method and the main metering system at Appendix C of this Agreement.

g) In case the main metering system has breakdown or accreditation results reveal that the main metering system has error which is bigger than the regulated accuracy level, the power output traded between the two parties during the time when the main metering system has breakdown or its error exceeds the regulated level will be identified by the following principles:

(i) Using metering results of the backup metering system to identify the power output for billing and payment.

(ii) In case the backup metering system has breakdown or accreditation results reveal that the backup metering system has error which is bigger than the allowable limit, the power output for billing and payment will be identified as follows:

- In case the main metering system is workable but has error which is bigger than the regulated accuracy level, the power output traded between the two parties will be identified by the metering result of the main metering system converted into power value equivalent to the error of 0%.

- In case the main metering system has breakdown, the backup metering system is workable but has error which is bigger than the regulated accuracy level, the power output traded between two parties will be identified by the metering result of the backup metering system converted into power value equivalent to the error of 0%.

- In case the main and backup metering systems have breakdowns, the two parties will estimate the power output delivered and received according to the monthly average data (if any) of the power plant in the same payment period of the year prior to the contract year with reasonable modifications for specific billing period based on available data related to impacts on power generation of the power plant such as parameters of environmental temperature, radiance, performance, operational hours, operational duration of the power plant and the amount of self-consumed power (collectively referred to as “operational parameters”) during the time when metering equipment has breakdowns unless otherwise agreed in written form by the two parties.

- If there is no reliable data, the power output delivered and received should be estimated according to the monthly power output of the power plant of 06 (six) payment periods right before the metering equipment has breakdown (or less in case the power plant has operated for less than 06 months) and shall be modified according to the downtime or operational parameters unless otherwise agreed in written form by the two parties.

(iii) Based on corrected metering results agreed by the two parties, the Seller has obligation to calculate the amount of money which should be paid to a party by the other party for the time when the metering system has breakdown. This amount includes the difference between fee collection and payment, interest of the difference between fee collection and payment according to the inter-bank average

interest rate and metering accreditation fee as regulated at points c and d of clause 5 of this Article.

(iv) In case the metering equipment is dead or broken down, the Seller has obligation to replace or repair in the shortest time so that metering equipment can meet technical specifications and operates at the normal conditions. Equipment subject to repair or replacement should be ensured in terms of its legality and technical specifications as regulated before being put into service.

6. Electricity meter reading

On a monthly basis, legitimate representatives of both sides will collect, examine and cofirm the meter reading at 12 p.m of the final day in the preceding month.

After the notification as regulated, the Buyer is allowed to go to the power plant or the place of installing the metering equipment to read the meter, examine the meter and perform other tasks related to the fulfillment of obligations under this PPA. This task shall have no impacts on the Seller's normal operation. Electricity staff or testers assigned by the Buyer to go to the power plant shall comply with safety regulations and internal rules of the power plant.

7. Transfer of electricity ownership

At the power delivery point, electricity ownership shall be transferred from the Seller to the Buyer. At this point, the Buyer has the right to possess, control and take responsibility for the power output received.

**Article 4. Billing and payment**

1. Billing

On a monthly basis (or the period of reading the electricity meter as agreed by the two parties), the Buyer and the Seller mutually read the electricity meter on the agreed date to identify the power output delivered and received in the month. The Seller will record the meter readings in the regulated form with confirmation of the Buyer's representative and send the written meter reading results and bill via fax (soft copy to be sent via email) followed by the official letter to the Buyer within 10 (ten) working days after the meter reading.

2. Payment

a) Payment claim: Before the 5$^{th}$ of every month, the Seller shall send the payment notification in attachment with the payment claim of the previous month to the Buyer.

b) Within five (05) working days from the date of receiving the Seller's payment claim, the Buyer shall examine the payment claim and give written notification to the Seller if finding any mistakes. After this term, if the Buyer has no feedback, the payment claim shall be deemed accepted.

c) Within three (03) working days from the date when the payment claim is accepted, the Seller shall issue and send relevant bill to the Buyer. The bill is developed in accordance with the form of the Ministry of Finance.

d) Within twenty five (25) working days from the date of receiving the valid and correct bill issued by the Seller, the Buyer shall be obligated to pay the Seller the amount stated in the bill via bank transfer.

e) In case the Buyer fails to pay within this term, the Buyer shall pay the interest on their late payment for the entire amount of overdue payment. This late payment interest is calculated by the total late payment amount multiplied (x) by the inter-bank average interest rate, then divided (:) by 365 days and multiplied (x) by the number of days of late payment.

f) In case the Buyer fails to mutually take the meter reading as regulated at clause 1 of this Article, the Buyer shall remain his/her obligation to pay the Seller for the power output delivered and received in line with regulations.

3. Estimation of the sold power output

Where there is insufficiency of necessary data for determining the power output or the payment amount which the Buyer owes the Seller, except for cases stated in clause 4 of this Article, the Seller shall estimate such data and change the payment amount in line with the reality of the next payment times.

4. Sequence of applying and replacing meter readings

To determine the power output received and accepted by the Buyer for one payment period, the meter reading, billing and payment shall be based on estimated data following the sequence below:

a) The readings of the main meter at the power delivery point in the payment period shall have the accuracy level in line with regulations at clause 5 of Article 3 of this PPA;

b) The readings of the backup meter at the power delivery point when the backup meter is used to measure the power delivered and received shall have the accuracy level in line with regulations at clause 5 of Article 3 of this PPA;

c) When all meters fail to record the accurate power output delivered and received, such power output shall be estimated according to the monthly average data (if any) of the power plant in the same payment period of the year prior to the contract year with reasonable adaptations for specific billing period based on available data related to impacts on the power generation of the power plant such as parameters of biomass, efficiency/performance of generation units, operational hours, operational duration of generation units and the amount of self-consumed power (collectively referred to as “operational parameters”) during the breakdown time of meters.

If there is no reliable data, the power output delivered and received shall be estimated according to the monthly average power output of the power plant of 06 (six) payment periods before the meter is broken (or the whole operational duration

in case the power plant has operated for less than 06 months) and shall be modified according to the downtime or operational parameters.

5. Billing dispute

a) Where one party does not agree on the whole bill or a part of the bill for the power output or the payment amount, such party has the right to give written notification to the other party before the due date of payment. After such the notification is received and both parties fail to reach an agreement on settlement, either one or both parties shall lodge their dispute within 01 (one) year from the date that the Buyer receives the valid bill.

b) In case the dispute settlement according to Article 8 of this PPA reveals that the Seller prevails, the Buyer shall pay the Seller the disputed amount plus the interest of the late payment according to the inter-bank average interest rate accumulated from the payment due date to the date of paying the disputed amount. If the Buyer prevails, the Seller shall bear the disputed amount plus the interest of the Buyer's paid amount according to the inter-bank average interest rate accumulated from the date of receiving such payment amount to the date of paying the disputed amount. All payments under this section shall be made within 15 (fifteen) days from the date of issuing the final decision on such dispute settlement in compliance with Article 8 of this PPA.

**Article 5. Force majeure events**

1. Force majeure events

Force majeure events include but not limited to, as published by state agencies or other organizations, excluding the Parties as follows:

a) Natural disasters, fire, explosion, flood, tsunami, epidemic or earthquake;

b) Riot, rebel, war, protest, sabotage, embargo, siege, lockdown, any act of war or community hostility.

2. Actions under force majeure events

In case of a force majeure event, the party invoking the force majeure event shall:

a) Promptly send the written notification to the other party on the force majeure event stating the reasons, presenting sufficient evidence to demonstrate the force majeure event and showing the estimated time and impacts of force majeure event on the ability to fulfill its obligations;

b) Make the best efforts to fulfill obligations under the Agreement;

c) Promptly take necessary actions to address the event and provide evidence to demonstrate the reasonable efforts to address the event;

d) Take necessary measures to reduce adverse impacts on the parties under the Agreement;

e) Give an immediate notification to all parties on the termination of the event.

3. Outcomes of a force majeure event

After taking all measures specified in clause 2 of this Article, the violating party shall be exempted from the responsibility related to the failure to fulfill its obligations under the Agreement due to a force majeure event, excepting for the responsibility related to the payment of due date amounts in accordance wtih this PPA before the force majeure event.

4. Term of a force majeure event

If due to the force majeure event, either party fails to fulfill its obligations under this Agreement within 01 (one) year, the other party has the right to unilaterally terminate the Agreement after 60 (sixty) days from the date of giving the written notification (unless such obligations are fulfilled within this 60-day term). The Parties will mutually work and figure out reasonable and suitable solutions and reach an agreement through negotiation on good wills.

**Article 6. Term of the Agreement**

Unless otherwise extended or terminated before the term in accordance with the Agreement's conditions and provisions, this Agreement shall come into force from the date when the authorized representatives of Parties officially sign and be terminated in no more than 20 (twenty) years from the commercial operation date. Contents of this Agreement shall survive the termination of the Agreement in a necessary period of time for the parties to develop the final invoice, modify invoice, make payment and fulfill their rights and obligations under this Agreement.

An extension of the Agreement term or engagement into a new Agreement can be implemented by the Parties in compliance with legal regulations on the expiry of the Agreement.

**Article 7. Breach of agreement, indemnity and termination of agreement performance**

1. The Seller's acts of breaching the Agreement

a) The Seller fails to keep the scheduled commercial operation date as specified in Appendix B within the term of 03 (three) months unless a force majeure event happens;

b) The Seller fails to implement or follow contents of the Agreement within 60 (sixty) days after receiving the Buyer's written notification;

Where the Seller has attempted to take remedial measures for its acts of breach within the term of 60 (sixty) days as mentioned above, but such measures are not completed within that term, the Seller may extend the duration of remedial measures to maximum 01 (one) year from the date of receiving the written notification on the Seller's breach (unless the competent agency allows to extend the investment schedule in compliance with the current regulations). The Seller shall continue to complete its remedial measures for its breach in the shortest time, excepting for the cases specified in Article 5 of this Agreement;

c) The Seller denies the validity of a part or the whole of the Agreement;

d) The Seller violates the Seller's commitments under Article 11 of this Agreement.

2. The Buyer's acts of breaching the Agreement

a) The Buyer fails to implement or follow contents of the Agreement within the term of 60 (sixty) days after receiving the Seller's written notification;

Where the Buyer has attempted to take remedial measures for its acts of breach within the term of 60 (sixty) days as mentioned above, but such measures are not completed within that term, the Buyer may extend the duration of remedial measures to a maximum of 01 (one) year from the date of receiving the written notification on the Buyer's breach. The Buyer shall continue to complete remedial measures for its breach in the shortest time, excepting for the cases specified in Article 5 of this Agreement;

b) The Buyer fails to settle the indisputable payment under the Agreement on the due date and such failure of payment continues to last over 90 (ninety) days without plausible reasons;

c) The Buyer denies the validity of a part or the whole of the Agreement;

d) The Buyer seriously violates the Buyer's commitments under Article 11 of this Agreement.

3. Procedures for correcting and settling the Agreement breaches

In case of any breaches of the Agreement, the other party shall send a written notification to the violating party. The violating party shall cooperate in settling the breach.

4. Indemnity

a) The violating party shall indemnify the other party for damages and losses caused by its breaches of the Agreement. The indemnity value shall include the actual and direct value of loss which the indemnity holder shall suffer caused by the indemnifier and the direct benefits which the indemnity holder shall receive in case of no breaches.

b) The indemnity holder shall demonstrate its loss and degree of loss caused by the breaches and the direct benefits which the indemnity holder should have received if there were no breaches.

5. Termination of the Agreement

Where a breach of the Agreement cannot be solved under clause 4 of this Article, the other party may continue to request the violating party to take remedial actions or may terminate the Agreement by sending notification to the violating party. After the other party chooses to terminate the Agreement performance in accordance with conditions of this Agreement, the parties shall not have to fulfill their Agreement obligations, excepting for cases specified in Article 5 and the other party has the right to request the violating party to make indemnity for its damages.

Where the Seller is the indemnity holder and decides to terminate the Agreement, the indemnity value is calculated by the value of electricity actually generated for one year prior to the termination of the Agreement.

**Article 8. Dispute settlement**

1. Dispute settlement by negotiation

Where a dispute is arisen between the parties in this Agreement, the party lodging the dispute shall give written notification to the other party on the dispute contents and requirements within the prescribed term. The parties shall negotiate and settle their dispute within 60 (sixty) days from the date of receiving the notification from the party lodging the dispute. The dispute related to payment of electricity bills shall be settled within 15 (fifteen) days from the date of receiving the notification from the party lodging the dispute.

This mechanism of dispute settlement is not applicable to the disputes which do not directly arise from this Agreement between a party of the Agreement and third parties.

2. Dispute settlement in accordance with legal regulations

Where the dispute cannot be settled through negotiation in accordance with the provisions in clause 1 of this Article or one of the parties fail to comply with the result of negotiation, either party may request for dispute settlement in accordance with provisions in Circular No. 40/2010/TT-BCT dated 13$^{th}$ December 2010 by the Minister of Industry and Trade on the sequence and procedures for dispute settlement in the electricity market or approach to another dispute settlement body as agreed by both parties for their dispute settlement in accordance with relevant regulations.

**Article 9. Trust, transfer and restructuring**

1. Trust and transfer

The entrusting or transferring party shall comply with the current legal regulations on its action and immediately give written notification to the other party regarding the trust or transfer

2. Restructuring

Where the restructuring of the power sector has impacts on the Seller's or the Buyer's rights and obligations under this Agreement, the Agreement performance shall be transferred to the recipient. The Buyer shall confirm and ensure in writing that the relevant recipients fulfill their obligations of power purchase or distribution as well as other interests and obligations in compliance with this Agreement.

**Article 10. Other agreements**

1. Amendments to the Agreement

The Parties shall not revise contents of provisions in this Agreement themselves but for cases regulated in clause 3, Article 6 of this Circular.

2. Responsibility of cooperation

The Seller is obligated to implement legal procedures related to the power plant. The Buyer shall cooperate with the Seller to obtain necessary license, approval and permission from the competent state agencies with regard to the location of the plant, control of natural resources, investment, transmission or sale of electricity, ownership and operation of the power plant, including provision of additional documents or archived documents and performance of other necessary and reasonable activities to implement agreements of the Parties.

3. Applicable law

The interpretation and performance of this Agreement shall comply with regulations of Vietnam's legislation.

4. Waiver of rights

Failure to exercise the Parties' rights under this Agreement at any time shall not affect the exercise of rights under the Agreement later. The parties agree that the statement of waiver of rights from one party for any commitments or conditions under the Agreement or any breaches of the Agreement shall not be deemed that such party waives the similar rights later.

5. Independence of the Agreement's contents

Where any contents in this Agreement are found inconsistent with the legal regulations or invalid as judged by the Court, other contents of the Agreement remain valid if the remaining parts fully reflect their contents without the invalidated parts.

6. Notification

All notifications, bills or other necessary correspondences exchanged during the performance of the Agreement shall clearly state the date and the relation to the Agreement. Such notifications, bills or correspondences shall be made in writing and sent by fax or post. In case of sending by fax, the original copy shall be sent later by the post with prepaid postage. Notifications, bills or other correspondences shall be sent to the following addresses:

a) The Seller: General Director, _____, _____

_____, _____, Viet Nam

b) The Buyer: _____,

_____, _____, Viet Nam

c) In the notifications, the Parties may clearly state the address of another sender or recipient in the form specified in this clause.

d) Each notification, bill or other correspondences sent by mail, delivered and transmitted by the above methods shall be deemed as well delivered and received at the time it is delivered to the recipient's address or at the time it is refused by the recipient at the aforementioned address.

7. Confidentiality

The Buyer agrees to keep confidential the plant's information specified in the Appendix of the Agreement unless such information has been disclosed by the Seller or the competent state agency.

8. Complete Agreement

This PPA is the final complete agreement between the contracting Parties and replaces the Agreement-related discussions, information and correspondences exchanged before signing the Agreement.

9. Clearance and return of the site

The Seller shall be responsible for the removal and reinstatement of the work site, cleaning and disposal of materials, equipment and facilities of solar power works during the development and operation or after the conclusion of the project in accordance with relevant legal regulations on environment.

**Article 11. Performance commitment**

Both Parties shall commit to perform this Agreement as follows:

1. Each Party is legally established to run their businesses in Vietnam.

2. Conclusion and performance of this Agreement shall be carried out by both Parties in accordance with conditions and contents of the operation license for power generation granted by the competent agency and relevant regulations.

3. Either Party shall not have any legal or administrative acts that hamper or affect the other Party's performance of the Agreement.

4. The Agreement conclusion and performance of either Party shall not violate any provisions of other contracts or a part of another contract to which such Party is a signatory.

This Agreement and its six appendices is an integral part of the Agreement and is made into 10 (ten) copies with the same validity. Each Party shall keep 04 (four) copies, and the Seller shall send 01 (one) copy of the PPA to the EREA and another copy to the Electricity Regulatory Authority of Vietnam.

| FOR THE SELLER | FOR THE BUYER |
|---|---|
| (Job title) | (Job title) |
| (Signature and seal) | (Signature and seal) |
| (Full name) | (Full name) |

**APPENDIX A**

**AGREEMENT ON CONNECTION TO THE POWER SYSTEM**

*(attached to Agreement No. dated…./…./2020)*

- Connection:
- Connection to SCADA system:
- Protection system:

[Applied individually to each project based on specifications of the project, including the single-line diagram of connection equipment, list of characteristics of metering systems, voltage and connection requirements]

**APPENDIX B**

**TECHNICAL SPECIFICATIONS OF THE POWER PLANT**

*(attached to Agreement No. dated…./…./2020)*

**Part A. General specifications**

1. Name of the power plant: ……..

2. Location of the power plant: …….

3. Rated capacity: .....

4. Capacity sold to the Buyer: max [noting the planned capacity or the capacity in construction design appraisal results] MW.

5. Self-consumed capacity of the power plant: min.....kW; max .....kW

6. Expected annual power generation output: [following the construction design appraisal results] kWh

7. Completion date of construction of the power plant: …….

8. Expected commercial operation date of the power plant: .....

9. Voltage fed to the distribution grid: .....V

10. Connection point to the distribution grid: .....

11. Point of installing the metering equipment: .....

**Part B. Operational parameters of specific technologies**

1. Technology of power generation: …….

2. Type of solar panel: .....

3. Inverter: ……

4. Medium voltage transformer:……

3. Operation characteristics, design: …….....

# APPENDIX C

# METERING AND DATA COLLECTION SYSTEM

*(attached to Agreement No. dated…./…./2020)*

## I. Installation location and specifications of the metering system

The main and backup metering system are installed in accordance with the technical design agreements of power metering system and meter reading collection system at [name and number of the agreement between parties].

Specifications of the metering system comply with the technical design agreements of power metering system and meter reading collection system at [name and number of the agreement between parties].

## II. Technical requirements of the metering system

Technical requirements of metering equipment, metering circuits, lead sealing measure and meter reading collection, processing and storage system comply with the technical design agreement of power metering system at [name and number of the agreement between parties].

## III. Metering location

The two parties agree with each other on the metering locations of metering systems as follows:

- Main metering location: ….
- Backup metering location 1: ….
- Backup metering location 2: ….
- Output separation and metering location (if any): …

## IV. Delivered power output calculation method

On the 1st of every month, legal representatives of the two Parties will confirm the meter reading and develop the confirmation minutes of meter reading at 0:00 a.m on that day and power output of the preceding month.

The power output that the Buyer must make payment to the Seller in the due month [is established and confirmed by the two sides for each specific project and location].

## APPENDIX D

## REQUIREMENTS BEFORE THE COMMERCIAL OPERATION DATE

*(attached to Agreement No. dated…./…./2020)*

60 (sixty) days before the expected COD in accordance with Appendix B, the Seller is responsible for sending the Buyer the Draft procedure for power plant commissioning in line with the current regulations on and technical and technological standards of a solar power plant in order for the parties to agree with each other on the COD and calculate the trial power output of the power plant.

## APPENDIX E

## ELECTRICITY BILL

*(attached to Agreement No.  dated…./…./2020)*

1. The power purchase price at the PPA, excluding VAT since the COD in accordance with clause 2 of Article 2 in this Agreement.

2. Calculation of payment for electricity bill

On a monthly basis, the Buyer make payment to the Seller for the whole power output purchased in the month at the power purchase price stipulated at clause 2 of Article 2 in this Agreement and calculated by the formula [agreed by the parties for each specific project and location].

**APPENDIX F**

**OTHER AGREEMENTS (if any)**

*(attached to Agreement No.  dated…./…./2020)*

# APPENDIX 2

## STANDARDIZED POWER PURCHASE AGREEMENT FOR THE ROOFTOP SOLAR POWER SYSTEM

*(Attached to Circular No. 18/2020/TT-BCT dated 17th July 2020 by the Minister of Industry and Trade on project development and the sample PPA applied for solar power projects)*

**SOCIALIST REPUBLIC OF VIETNAM**
**Independence – Freedom – Happiness**
**----------**

# STANDARDIZED POWER PURCHASE AGREEMENT FOR THE ROOFTOP SOLAR POWER SYSTEM
**No.:**

Pursuant to:

- The 2015 Civil Code;

- The Commercial Law dated 14th June 2005;

- The Electricity Law dated 3rd December 2004; the Law on amending, supplementing a number of articles of the Electricity Law dated 20th November 2012;

- Decree No. 137/2013/ND-CP dated 21st October 2013 by the Government providing detailing the implementation of a number of articles of the Electricity Law and the Law on amending, supplementing a number of articles of the Electricity Law;

- Decision No. 13/2020/QD-TTg dated 6th April 2020 by the Prime Minister on incentive mechanism for developing solar power projects in Viet Nam;

- The Circular No. …/2020/TT-BCT dated … 2020 by the Minister of Industry and Trade on project development and sample PPA applied for solar power projects;

- Demand for power sale and purchase of the two parties;

Today, on..…, at…….

***We are:***

**The Seller (Party A): …..**

Address:

Tel.: _____ Email:_____ Fax:_____

Tax code_____ Business Registration Certificate:_____

Bank account: _____ Bank name:_____

Represented by:

ID or passport number:

Position: _____ (authorized by _____

At the authorization letter (number, date).

**The Buyer (Party B): …..**

Address:

Tel.: _____ Email:_____ Fax:_____

Tax code _____ Business Registration Certificate:_____

Bank account: _____ Bank name: _____

Represented by:

Position: _____ (authorized by _____

At the authorization letter (number, date).

To mutually enter into the Power Purchase Agreement (hereinafter referred to as the Agreement or PPA) on selling and purchasing electricity generated from the rooftop solar power system (hereinafter referred to as "the System") with the installed capacity of … kW and specifications stated in the Appendix (the Appendix form is promulgated by Party B) which is constructed and operated by Party B at [*place of installing the System*] with the following terms:

**Article 1. Power for sale and purchase**

1. From the operational date, Party A agrees to sell power to Party B and Party B agrees to purchase power generated from the Party A's System connected to Party B's grid through the electricity meter installed at the power delivery point.

2. Party B shall be responsible for making payment for the power output generated from Party A's System connected to Party B's grid at the price specified in Article 2 of this Agreement.

3. The electricity that Party A receives from Party B's grid shall be agreed and signed in another separate PPA which is not under the scope of this Agreement.

**Article 2. Power purchase price**

1. Power purchase price of the rooftop solar power system shall comply with regulations in clause 2 of Article 8 of the Prime Minister's Decision No. 13/2020/QD-TTg dated 6th April 2020 on incentive mechanism for developing solar power systems in Viet Nam.

2. The power purchase price specified at clause 1 of this Article shall be applied in no more than 20 years from…./…./2020 to the end of …./…./20….

**Article 3. Confirmation of meter readings, power generated on the grid and billing**

1. Confirmation of meter readings and power generated on the grid

- Party B shall read the meter on [*date*] of every month.

- Within no more than 05 (five) business days from the date conducting the meter readings, Party B shall notify Party A of the meter readings and the power output generated from the System connected to the grid in the payment period via the following channels:

Email *[email address]* SMS/Zalo/Viber *[tel.]*

- In case Party A does not agree with the meter readings and the power output fed to the grid as notified by Party B, Party A shall give feedback within 01 (one) working day from the date of receiving the notification from Party B via the following channels:

Website: ..... Email *[email address]*

- After the above deadline, if Party A has no feedback to Party B, it shall be deemed that Party A agrees with the metering readings and the power output fed to the grid as notified by Party B.

2. Electricity bill:

a) Electricity bill: Based on the electricity output agreed by the two Parties at clause 1 of this Article and the power purchase price at Article 2 of this Agreement, on a monthly basis, Party B shall pay Party A the following amount (excluding VAT):

$$T(n)= Ag(n) \times G(n)$$

Where :

T(n): The billing amount in the month n (VND)

Ag(n): The power generated by Party A to Party B's grid in the month n (kWh).

- For one-rate electricity meter, the Ag(n) is the electricity output that Party B's grid receives from Party A's system at the delivery point as recorded by the electricity meter.

- For three-rate electricity meter, the Ag(n) is the total electricity output of three time-based electricity rates (normal hours, peak hours and off-peak hours) that Party B's grid receives from Party A's system at the delivery point as recorded by the electricity meter.

G(n): Electricity price applied for the month n as specified in Article 2 of this Agreement (VND/kWh).

b) VAT:

- If Party A is a VAT taxable subject, in addition to the electricity billing amount as defined at point a of clause 2 in this Article, Party B shall pay a VAT amount to Party A in accordance with the current regulations.

- If Party A is a household or an individual implementing the rooftop solar project and receiving electricity from the national grid, By the end of the last period of power meter readings of the year, by the end of the last period of power meter readings of the year, Party B shall be in charge of making the final payment for the electricity amount purchased from the solar power system in the year and for the VAT amount to Party A depending on the revenue obtained from the solar power

system. Party A is responsible for cooperating with Party B in settling the VAT in accordance with the current legal regulations.

c) Payment in case of a fault in the metering system.

In case the power metering system has a fault (due to fire, breakdown, loss or inaccuracy), the Seller needs to immediately notify the Buyer about the fault, and the parties shall make a report on the fault and realize the agreement on Party A's power output generated to the Party B's grid based on the output of the preceding payment period, month or week.

**Article 4. Payment**

1. Payment documents include:

a) In case Party A is an enterprise issuing monthly invoices:

The statement of power meter readings and electricity amount generated on Party B's grid from Party A's system issued by Party B in the month;

Sales invoice in accordance with regulations issued by Party A showing the bill amount as defined in clause 2 of Article 3 of this Agreement.

If the invoice issued by Party A is a directly-deductable VAT invoice (no tax rate and VAT amount are stated in the invoice), Party A shall send Party B the VAT specification and VAT payment receipt for the purchased power billing amount in order for Party B to reimburse Party A the VAT payment.

b) In case Party A is an organization or individual not issuing monthly invoices:

On a monthly basis:

Party B shall, based on the statement of power meter readings and electricity amount generated on Party B's grid from Party A's system, make payment for the electricity bill to Party A with the amount defined at point a of clause 2 of Article 3 of this Agreement.

On a yearly basis:

Party B shall prepare and send Party A the "Minutes of confirmation of delivered electricity amount and bill amount" of the year following the form issued by Party B no later than 15 days from the last day of the year or the expiry date of the Agreement (whichever comes first).

In case Party A's revenue is subject to tax payment as mentioned at point b of clause 2 of Article 3, Party A shall be responsible for sending the sales invoice, VAT specification and VAT payment receipt for the purchased power billing amount in order for Party B to reimburse Party A the VAT payment.

2. Form of payment:

Bank transfer (transfer fee is covered by Party A).

Bank transfer information: .....

3. Payment term:

a) Within seven (07) working days after Party A agrees on the power meter readings and electricity amount generated on Party B's grid from Party A's system (as notified by Party B) and submits sufficient payment documents specified in clause 1 of this Article.

b) After the aforementioned term, if Party B fails to make payment to Party A, Party B shall be responsible for paying interest on late payment accumulated from the due date until the date of actual payment of Party B. The late payment interest shall be agreed between the two sides on the basis of complying with the 2005 Commercial Law and ensuring the Seller's legitimate rights and interests.

**Article 5. Rights and obligations of the parties**

1. Rights and obligations of Party A

a) To ensure that the design, installation and operation shall comply with the current technical standards and regulations on electricity quality, power safety, construction, environment as well as fire and explosion control.

b) To record, agree and monitor the electricity output connected to Party B's grid together with Party B.

c) Not to connect any other power sources other than the System as specified in this Agreement to electricity meters without the consent from Party B.

d) To fulfill all tax duties in accordance with the State's regulations.

2. Rights and obligations of Party B

a) To equip and install electricity meters at the power delivery point for Party A if Party A satisfies connection standards and requirements specified in point a of clause 1 of this Article.

b) To record, notify, agree and monitor the electricity output connected to Party B's grid from Party A's System together with Party A.

c) To examine and monitor the operation and handle issues in compliance with the current regulations.

d) To be entitled to refuse to make payment if Party A fails to comply with provisions specified in points a, c and d of Clause 1 of this Article.

**Article 6. Other agreements**

1. Dispute resolution through negotiation

In case of any disputes between the parties in this Agreement, the dispute initiator needs to inform the other party in written form on the dispute contents and requests within the regulated time limit. The parties shall negotiate to resolve the dispute within 30 (thirty) days since the date of receving written notification from the dispute initiator. Disputes related to late power output payment shall be resolved

within 5 (five) days since the date of receving written notification from the dispute initiator.

If the two parties cannot resolve disputes, they are entitled to sending requests to competent state authorities for support in addressing disputes.

Such the dispute resolution mechanism is not applicable to disputes which do not directly arise from this Agreement between a party of this Agreement and the third parties.

2. Dispute resolution in accordance with legal regulations

In case disputes cannot be resolved through negotiation in accordance with regulations at clause 1 of this Article or one of the parties refuses to comply with negotiation results, one of the parties or the parties can send a petition to the higher electricity authority of the Buyer or the MOIT for a resolution.

**Article 7. Implementation provisions**

1. Unless otherwise renewed or terminated before the expiration, this Agreement shall come into force from …./…./20… to …./…/20….

2. During the implementation of this Agreement, either Party who has request for amendment, supplementation or termination of the Agreement shall notify the other Party 15 days in advance for mutual settlement.

3. This Agreement shall be made into 02 original copies of the same legal validity. Each party shall keep one copy.

| **Party A** | **Party B** |
|---|---|
| *(Signature, seal and full name)* | *(Signature, seal and full name)* |

**APPENDIX 3**

**PERIODIC REPORT ON**

**THE INVESTMENT REGISTRATION AND THE IMPLEMENTATION**

**OF SOLAR POWER PROJECTS IN THE PROVINCE**

*(Issued with Circular No. 18/2020/TT-BCT dated 17th July 2020 of Minister of Industry and Trade on project development and sample Power Purchase Agreement applied for solar power projects)*

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| | |
|---|---|
| **PEOPLE'S COMMITTEE OF……** | **SOCIALIST REPUBLIC OF VIETNAM** |
| **---------** | **Independence – Freedom – Happiness** |
| | **----------** |
| **No:**……../BC-…… | |
| | ……, ……./……./20…. |

**REPORT**

**On the investment registration and the implementation**

**of solar power projects in…….from January 1st 20… to December 31st 20..**

Respectfully to: Ministry of Industry and Trade

**1. The development of grid-connected solar projects**

1.1. Registered projects: Summary information and form of the registration for implementation of grid-connected rooftop solar projects (see the attachment)

1.2. Projects with approved investment policies: Summary

1.3. Projects which are being implemented in the power development plan and province's planning: Summary

**2. Implementation progress of solar power projects**

2.1. Name of the first project:

Location of construction:

Investor:

Investment policy/Investment license No……..dated……/……./……..

Capacity in the first phase:

Capacity in the second phase (if any):

Development and approval of investment projects:

Site clearance and land allocation (if any):

Construction commencement date:

Current progress of the project:

Tentative time for project operation in the first phase:

Tentative time for project operation in the second phase:

…….

### 3. Shortcomings and recommendations

SUMMARY FORM OF THE REGISTRATION FOR IMPLEMENTATION OF ROOFTOP SOLAR POWER PROJECTS

| No. | Name of the project | Location | Proposed capacity (MW) | Area (ha) | Total tentative investment (bil VND) | Connection | | | Tentative progress of operation | Note |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Substation | Line | Connection location | | |
| 1 | | | | | | | | | | |
| 2 | | | | | | | | | | |
| … | | | | | | | | | | |
| **Total:** | | | | | | | | | | |