

Source: The Rising Nepal, January 11, 2020

## Minister Pun Urges Foreign Investment In Nepal's Energy Sector

Kathmandu, Jan 10: Minister for Energy, Water Resources and Irrigation, Barsha Man Pun, who is on a United Arab Emirates visit, today held a meeting with Francesco La Camera, Director-General of the International Renewable Energy Agency (IRENA) in the UAE.

The meeting focused on various aspects of renewable energy of Nepal, said Durga Prasad Chapagain, chief personal secretary of minister Pun.

On the occasion, the minister put forward a cooperation proposal in the development of renewable energy of Nepal, while thanking General Director Camera for inviting Nepal to participate in an international renewable energy conference in the UAE, he said.

He also urged foreign investment in energy sector of Nepal, stating that the country has created an environment conducive for foreign investment following a stable government led by Nepal Communist Party. The Government of Nepal aims to produce 15,000 megawatts electricity in the next 10 years, of which solar energy contributes 10 to 15 percent, he asserted. The government has established the Alternative Energy Promotion Centre (AEPC) for the development of solar energy.

In response, director general Camera pledged IRENA's technical and financial help for the development of solar energy in Nepal as a member state. He also praised Nepal as according high-priority to the development of solar energy. Executive Director for the AEPC, Madhu Sudhan Adhikari was also present on the occasion.

Source: My Republica, January 11, 2020

## 'Nepal and Bhutan are facing similar problems due to climate change'

KATHMANDU, Jan 11: Minister for Energy, Water Resources and Irrigation, Barshaman Pun has said that Nepal and Bhutan are facing similar problems in the energy sector.

Mentioning geographical and climate similarities, Pun in a sideline meeting with the Bhutanese Minister for Economic Affairs, Loknath Sharma said that the two countries have been facing similar problems because of climate change. The ministers were in the United Arab Emirates (UAE) for an annual conference of the International Renewable Energy Agency sat on a sideline meeting on Friday and discussed the prospects the two countries had in the energy field. The ministers agreed on solving the problems together.

Pun mentioned, "Standing in the same position, we need to have a similar voice and put it forward in the international platforms to solve problems of renewable energy and hydroelectricity sector." He further added attention of the world can be drawn in the contemporary issues and problems of climate change Himalayan countries have been facing. "We stay in the fright of unexpected flooding caused by the melting of mountains due to climate change that might affect hydroelectricity projects and other development infrastructures," Pun further added.

Similarly, Bhutanese Minister Loknath Sharma said that the two countries will have the same voice in regard to the issue in international forums. Stating that the two countries have made huge investments in the hydro sector, he showed

the determination to collaborate with Nepal to be safe from the negative impact of climate change. "There are lots of market scopes in India and Bangladesh if both Nepal and Bhutan can generate huge amounts of electricity," he said.

Meanwhile, in a meeting with Francesco La Camera, director-general of the International Renewable Energy Agency, Minister Pun proposed collaboration in the development of renewable energy in the future. Talking about Nepal's newfound stability in politics, Pun said the country also has stable policies. "Nepal now has the appropriate opportunity and environment for foreign investment in the energy sector," he said. He appealed for investment in the energy sector in Nepal in the meeting with Camera.

Director-General Camera appreciated the development of solar energy in Nepal. "The agency will provide technical and financial assistance to Nepal for the promotion of solar energy," he said.

Source: My Republica, January 12, 2020

## Locals obstruct construction of Upper Mailung Hydroelectricity Project

RASUWA, Jan 12: The ongoing construction work of Upper Mailung Hydroelectricity Project at Uttargaya Rural Municipality-1, Rasuwa has been stopped due to the obstruction from the local residents. Putting forward a three-point demand, locals affected by the project have obstructed the construction of the project.

They have demanded appropriate compensation for the lands used by the project, action against the local representatives who allowed inconsiderate operation of excavators and employment of locals by dismissing the current contract.

Chheku Lama, a local of the rural municipality said despite multiple attempts to hold discussion with the project officials, it was not successful because of which the project had to be halted. "The land that was approved for the construction of road has not been in use, instead another location has been used for the roads," he said, "This has directly affected 18 households."

According to him, this situation has been created because the contractor of the project without getting permission from the land owners had run over dozers in people's private property. The construction work was obstructed from Thursday. But when the locals found out that the project was still continuing with blasting for rock excavation, they have warned of padlocking the ward office on Sunday.

According to Lama, no vehicles will be allowed to operate in the project construction site. Road from the confluence of Trishuli River and Mailung River to Raharekharka is being constructed in the district. According to the project officials , a tunnel of 1,855 meters length is to be constructed for the hydro-power plant. Also a 1,000 meter penstock will be constructed for the project, the project officials informed.

Though the civil infrastructure is set to be completed within the Nepali year 2077, the construction of structures has not started yet. The project with the capacity of 14.3 MW will start generating electricity within a year after that. The generated electricity will be connected to the 3B hub which is being built by Nepal Electricity Authority.

The project will have to construct transmission line up to the hub. A 15-km long transmission line to 3B hub needs to be built by the project.

After the completion of the project, 79.67 million kilowatt-hour electricity will be produced annually. The project will have 25% self capital investment. The project is being constructed with the main investment from Sanima Hydro Group.

According to the project officials, an estimated budget of Rs 2.50 billion will be used for the project. A Power Purchase Agreement (PPA) was made on September 9, 2011 for the construction of the project. Monaliya Power Limited had initially taken responsibility of the construction. However, Sanima Hydro Group had been handed over with the responsibility.

Monaliya had proceeded with the process to complete it within July 17, 2015. Sanima had started the construction after the work could not be started within the specified schedule. Nepal SBI Bank has financed the project under the consortium loan led by Siddhartha Bank Limited.

Source: My Republica, January 12, 2020

## Abu Dhabi Fund for Development announces USD 10 million assistance to Nepal to help generate electricity from waste

KATHMANDU, Jan 12: The Abu Dhabi Fund for Development (ADFD) has announced that it will provide USD 10 million assistance to Nepal to help generate electricity from the waste.

The announcement was made at the International Renewable Energy Agency (IRENA) Assembly held in Abu Dhabi, United Arab Emirates on Sunday. Leading a Nepali delegation, Minister for Energy Barsha Man Pun is participating in the meeting.

"In Nepal, a project will receive an ADFD loan of US\$10 million to support a total of 20 biogas digesters which will serve as demonstration units to 270 municipalities. The digesters will convert organic waste into useful energy and offset the use of fossil fuels by replacing it with renewable natural gas," a press release issued by ADFD said today.

Speaking during the IRENA Assembly, Minister Pun thanked the ADFD for pledging the aid.

However, Nepal is not alone to receive such aid from the ADFD. A fund of USD 105 million from the Irena/ADFD Project Facility will be used for eight renewable projects in developing countries including Nepal. The fund will be used for developing wind, solar, waste-to-energy and biogas projects in Antigua and Barbuda, Burkina Faso, Chad, Cuba, the Maldives, Nepal, St Lucia, and St Vincent and the Grenadines.

The amount was the highest annual contribution from the initiative, which has provided \$350m of finance to renewable projects in developing nations over the past seven years, according to the press release.

“Overcoming investment needs for energy transformation infrastructure is one of the most notable barriers to the achievement of national goals,” said Irena director-general Francesco La Camera. “Therefore, the provision of capital to support the adoption of renewable energy is key to low-carbon sustainable economic development and plays a central role in bringing about positive social outcomes.”

Mohammed Saif Al Suwaidi, Director General of ADFD, said the fund “has enhanced long-term growth prospects and yielded socio-economic benefits for millions of lives in line with the national objectives of the beneficiary countries”.

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Source: The Rising Nepal, January 12, 2020

## Upper Tamakoshi Completion Date To Be Postponed Again

**By Our Correspondent**, Dolakha, Jan.12: The date for completing the much-awaited Upper Tamakoshi hydropower project which is under construction at Bigu Gaupalika -1, Lamabagar in Dolakha district is going to be deferred again due to the time consuming vertical tunnel construction work.

Due to the delay in fixing penstock pipes in the 5373-metre bottom vertical tunnel and 310-metre upper vertical tunnel of the project, which is considered one of the most difficult parts of the national pride project, the production date has been postponed again.

The Upper Tamakoshi, which has been repeatedly revising the power generation schedule, said that the project would be delayed due to penstock placing work on the vertical start. Earlier, the Upper Tamakoshi is said to start its production from the first unit in April this year, and from six units within the current fiscal year.

Austrian company Andrews has completed 50.9 per cent of penstock's connection to the lower vertical shaft while Indian company Texma's Railway Engineering has completed only 29.3 percent of Penstock's connection work in the upper vertical shaft so far. Both companies have completed only 40.9 per cent of the 683 meter penstock fixing work. The penstock pipe, up to 5 meters in length and 27 tonnes in weight, is connected to a 35 ton capacity granite crane with a vertical shaft.

Meanwhile, Railway Engineering of Indian contractor company Texma, which has been responsible for the hydro mechanical work of Lot No. 2 of the Tamakoshi project, has also delayed the work of penstock pipe. Overall, 99 per cent of the Upper Tamakoshi project has been completed so far. Construction work on the project site has already been completed and the construction work of the main tunnel has reached its final stage. The work on the power plant has reached its final stage. Doctor Neupane, spokesperson of the project, said that the work of pulling 27 kilometers wire, including 127 towers under the transmission line, had completed. Four multi-circuit towers are yet to be built.

Source: My Republica, January 13, 2020

## UAE giving \$10m in subsidized loans to generate energy from waste

KATHMANDU, Jan 13: The United Arab Emirates (UAE) has decided to provide Nepal with US\$ 10 million (approximately Rs 1.13 billion) subsidized loan for the generation of electricity from urban waste.

Abu Dhabi Fund for Development (ADFD) during the International Renewable Energy Agency (IRENA) assembly held in Abu Dhabi, UAE on Sunday announced that it will provide \$10 million assistance to Nepal to help generate electricity. Leading a Nepali delegation to show participation in the meeting, Minister for Energy, Water Resources and Irrigation Barshaman Pun accepted the assistance. "The amount will be used to operate big biogas projects in 69 different municipalities through which organic waste will be produced," said Pun. Different nations with technical assistance from IRENA competed to get the fund. The digesters will convert organic waste into useful energy and offset the use of fossil fuels by replacing it with renewable natural gas.

The seven-phase competition shortlisted Antigua and Barbuda, Burkina Faso, Chad, Cuba, the Maldives, Nepal, St Lucia, and St Vincent and the Grenadines for the subsidized loans. Madhusudhan Adhikari, executive director at Alternative Energy Promotion Centre informed that the fund will be used for the flow of low-interest rate loans for big biogas and municipality level waste to energy projects.

"The fund will be used for developing wind, solar, waste-to-energy and biogas projects in Antigua and Barbuda, Burkina Faso, Chad, Cuba, the Maldives,

Nepal, St Lucia, and St Vincent and the Grenadines,” according a press statement issued by ADFD. A fund of \$105 million from the IRENA/ADFD Project Facility will be used for eight renewable projects in developing countries including Nepal.

The amount was the highest annual contribution from the initiative, which has provided \$350 million of financing to renewable projects in developing nations over the past seven years, according to the press release.

Stating the assistance is important for Nepal, Minister Pun in the meeting called for collaboration in Nepal's renewable energy and construction of other infrastructure. He said that this assistance will contribute to the operation of waste to energy projects in 69 municipalities, produce organic fertilizer and also create employment for Nepalis.

“Overcoming investment needs for energy transformation infrastructure is one of the most notable barriers to the achievement of national goals,” said IRENA Director-General Francesco La Camera. “Therefore, the provision of capital to support the adoption of renewable energy is key to low-carbon sustainable economic development and plays a central role in bringing about positive social outcomes.”

Mohammed Saif Al Suwaidi, director-general of ADFD, said, “The fund has enhanced long-term growth prospects and yielded socio-economic benefits for millions of lives in line with the national objectives of the beneficiary countries.”

Source: The Rising Nepal, January 13, 2020

## Locals Helping Budhigandaki Project

**By Our Correspondent**, Dhading, Jan. 13: Locals of Dhading and Gorkha districts, who had expressed dissatisfaction over the land compensation provided by the Budhigandaki hydel project, have now extended their help to the project by handing over their land ownership certificates.

Although the scant compensation amount has hurt the locals, the hydropower project should not be halted, said locals.

After the government fixed the compensation, the affected locals are in no mood to allow the project to linger.

The distribution of land compensation is gaining momentum after the government fixed the amount of compensation to the affected locals.

The Budhigandaki hydropower project-affected locals had been staging a protest in Khahare and Arughat of Dhading expressing dissatisfaction over the compensation amount fixed by the government.

Chief of the project Krishna Bahadur Karki said that they had requested the federal government not to impose any tax on the compensation amount.

Around owners of 3000 kitta of land were left to be provided with compensation Budhigandaki Hydropower Project, a national pride project.

According to the Detailed Project Report (DPR) of the project, 58,000 ropanis of land is required for the project.

According to coordinator of Compensation Distribution and Resettlement Unit, Rs. 27.31 billion has already been spent on compensation of land annexed for the project.

Source: The Himalayan Times, January 13, 2020

## Upper Tamakoshi likely to miss completion deadline

As the contractors have been delaying in installing penstock pipes in the vertical tunnel of the project, the 456-megawatt Upper Tamakoshi hydropower project is likely to miss its completion deadline.

Nepal Electricity Authority (NEA) has set a project completion deadline of mid-July this year.

However, the unsatisfactory performance of the contractors has raised concerns about whether this deadline can be met.

“The government has been putting pressure on us and we are also pushing the contractors to complete the project on time,” said Ganesh Neupane, spokesperson for the project.

Neupane informed, however, that the project is still facing hassles related to hydro-mechanical works, especially in installing penstock pipes in the vertical tunnel of the project.

The project had assigned Texmaco Railway Engineering of India to complete the hydro-mechanical works.

However, considering the slow pace of work, Austrian firm Andritz Hydro was brought in, in January of last year to take on part of installing the penstock pipes.

As of now, Texmaco, which is responsible to instal penstock pipes along 373 metres of the vertical tunnel has installed a total of 90 metres of the pipes. Similarly, Andritz Hydro, which is responsible to instal the pipes along 310 metres of the tunnel, has completed installing 190 metres of the pipes so far.

This means a total of 280 metres of penstock pipes have been installed in the tunnel so far, while the contractors are yet to instal pipes along 403 metres of the vertical tunnel.

As per Neupane, the civil, electromechanical, transmission line works have been almost completed.

“Both the companies have been working round-the-clock — with work being done in three shifts in a day — so that they are able to complete the project on time,” he said.

He further said that the contractors have expressed commitment to mobilise additional workers as needed in the coming days and that they will carry out the task of joining the penstock pipes simultaneously.

Last month, Kul Man Ghising, managing director of NEA, and Dinesh Ghimire, secretary at the Ministry of Energy, Water Resources and Irrigation, had visited Kolkata, where the headquarter of Texmaco is located, and reminded the Indian contractor about the deadline. During the high-level meeting, the contractor had assured the government it would expedite the remaining works in order to meet the deadline.

In accordance with the revised deadline, which was extended for the fourth time in November, the project is scheduled to produce 76 megawatts of power from the first unit of its six units by mid-July.

Source: The Kathmandu Post, January 15, 2020

## Chinese firm loses substation contract after being no-show

Chinese firm Shenzhen Farad Electric Company lost a \$16 million contract it held to build two substations at Matatirtha, Kathmandu and Markichok, Tanahu for being a no-show.

The high capacity substations are part of a \$56 million Marsyangdi-Kathmandu transmission line project to bring electricity from the Marsyangdi basin to Kathmandu to meet its ever-rising energy demand. Shenzhen Farad received the contract in December 2017.

“The contractor deserted the project sites one month ago, and we sent a letter asking it to resume work. But it did not show up despite a pledge to do so leading to the termination of the contract,” said Tara Pradhan, project chief. “We are determining the amount to be seized from the contractor in performance guarantee.”

Shenzhen Farad is expected to forfeit its performance guarantee worth about Rs500 million.

According to the Nepal Electricity Authority, the objective of the project is to increase the power transfer capacity from the Marshyangdi corridor which has a high concentration of power schemes to the Kathmandu Valley to reinforce the power system and improve transmission reliability.

The termination of the contract will put a dent in the state-owned utility's plan to execute the already overdue project and increase power flow into the valley.

In recent days, scores of business and households from all over the valley have been troubled by frequent electricity cuts and voltage fluctuations as [a surge in power demand has revealed the cracks](#) in its faltering decades-old distribution infrastructure.

According to Pradhan, officials are holding technical discussions to decide their next step. They will probably open a second bid for the construction of the substations.

The transmission line project, funded by the Asian Development Bank and the Norwegian and Nepal governments, envisages setting up an 80-kilometre-long power line.

Both transmission and substation components of the project are behind schedule. Authorities had planned to commission the crucial 220 kV transmission infrastructure by July 2019.

According to an official close to the situation, the Chinese contractor had won the bid by quoting a very low price and was not able to finish the job due to cost overruns.

“Although all the equipment had been hauled to the project sites in Kathmandu and Tanahu, the contractor abandoned the project hinting that it had run into money problems,” said the official.

The Nepal Electricity Authority has acquired 179 ropanis of land to build the substations. It gave the contract to build the transmission lines to Indian firm Tata Projects in 2016, and the contract to build the substations to Shenzhen Farad in 2017.

According to the Asian Development Bank, the power line project is a component of the expansion scheme which will build more than 200 kilometres of power lines and substations along the Kali Gandaki corridor in the Himalaya and from Marsyangdi to Kathmandu.

“The limited power transmission and distribution network is a bottleneck both for meeting domestic power demand and for potentially trading power with neighbouring countries,” said the multilateral lending agency.

Source: My Republica, January 17, 2020

## NEA starts enhancing its distribution system

### **Invites tender to install underground power cables after successful piloting**

KATHMANDU, Jan 17: In a bid to upgrade its distribution system in the Kathmandu Valley, the Nepal Electricity Authority (NEA) has started the process of laying underground electric cables in number of locations of the Valley.

According to the authority, it has recently invited bids to install underground distribution system following the piloting of the first phase program in areas covered by the Maharajgunj Distribution Centre and Ratnapark Distribution Centre.

“We have contracted the project at these two locations and now we are looking forward to build similar system in other distribution network of the valley,” NEA Spokesperson told Prabal Adhikari.

Adhikari said the NEA has targeted to improve the distribution system in the valley by implementing the project. “The authority has formulated a master plan to ensure uninterrupted electricity supply system,” he added.

The state-owned power utility’s move has come at a time when consumers have been facing recurring problems of tripping. The sudden power cuts, which the authority has attributed to overload in the system with the freefall in temperature, have been affecting the general people in their household works besides disrupting the business activities.

Along with building the underground cable system, the NEA has also expedited preparatory works to install smart meters in Kathmandu Valley. Adhikari said use of the smart meters will allow the authority to retrieve data of distant consumers without visiting the place physically and will also help in monitoring possible leakages through electricity theft.

Meanwhile, Nepal is receiving loan of Rs 12.76 billion from European Investment Bank to upgrade electricity distribution system. Speaking at a press meet in Kathmandu on Thursday, Minister for Communication and Information Technology Gokul Prasad Baskota said the Cabinet meeting held on Monday decided to sanction the assistance worth 100 million euros.

Dinesh Kumar Ghimire, secretary at the Ministry of Energy, Water Resources and Irrigation, said the fund would be utilized to upgrade and strengthen electricity distribution system in both rural and urban areas. "In addition, the government has planned to use the money to speed up installation of underground distribution system in a number of urban areas including the Kathmandu Valley," he added.

According to the NEA, the financial assistance will be used to upgrade existing electricity distribution to enable a more reliable supply of energy.

The European Investment Bank has also lent the NEA 30 million euros to finance construction of the Chilime-Trishuli transmission link. The transmission will help to connect 600 MW of clean energy generated from hydropower plants, including independent power producers, on the Trishuli River corridor, to Nepal's national electricity grid.

According to the Ministry of Communication and Information Technology, the previous cabinet meeting had cleared the right of way for installing transmission lines in number of locations. The government has permitted the NEA to use 103.22 hectares of land of 56 community forests in Dolakha, Sindhupalchowk, Kavrepalanchowk, Kathmandu, and Bhaktapur to install the 220/400 kV transmission line along Tamakoshi-Kathmandu.

Similarly, the government has also cleared right of way for Hetauda-Dhalkebar-Duhabi 400 kV transmission line. With the decision the Nepal Electricity Authority will be allowed to use 80.66 hectares of forest areas of Hetaunda, Chhatiwari, Harnamadi, and Raigaun to build electricity highway and related infrastructure.

Meanwhile, the government has also permitted Rapti Hydro and General Construction Ltd to use the 4.04 hectares of forest land to build 33 kV transmission line for evacuating electricity produced by Rukum Gad Hydropower Project. The decision is expected to expedite construction of the transmission line.

“Land acquisition and clearance for right of way are among the main problems that many hydropower projects have been facing,” said Adhikari.