

Source: The Rising Nepal, October 10, 2020

Sinohydro Company Workers Into Agitation

Tanahu, Oct 10 : The ongoing work of the powerhouse of the Tanahu Hydropower Project has been affected.

The power house of the 140 MW project is based in Jhaputar in ward no. 1 of Rishing rural municipality of the district.

The work has come to a standstill after the workers of the contractor company, Sinohydro started an agitation demanding PCR test of all the workers.

The agitation began on Friday after one of the workers tested positive to Corona Virus, according to chief of the Tanahu Hydel Project Achyut Ghimire.

A discussion is being held today to come to an agreement in presence of local people's representatives, contractor company and worker representatives, said Ghimire.

The company is of the view that the tests could be carried out based on contact tracing, however the workers have demanded that all be tested including the family members of the workers.

Source: The Himalayan Times, October 10, 2020

Api to issue rights shares

Api Power Co Ltd is issuing rights shares in the ratio 1:0.476 to its shareholders.

The company is issuing the rights shares to generate capital for the construction of its third project, the Upper Chameliya Hydropower Project with 40MW capacity.

The project will generate 2.64 billion units of electricity annually. Of the electricity generated, 30 per cent will be generated in dry season and the remaining 70 per cent in the wet season.

In the first year, Rs 1.62 billion revenue will be earned and the revenue growth will be three per cent for eight years, as per a media release issued here today.

The total project cost is estimated at Rs 7.4 billion. The company will cover 30 per cent of the total cost by issuing rights shares to its shareholders in two stages. The rest 70 per cent is being financed by a consortium led by Himalayan Bank and comprising Employees Provident Fund, Rastriya Banijya Bank, Nepal Bank, Nepal Bangladesh Bank and Century Commercial Bank.

As of now, the firm's paidup capital is Rs 1.19 billion.

After this issue, the paid-up capital will be Rs 1.75 billion.

According to the unaudited financial report, the total net worth of the company is Rs 1.36 billion, reserve fund/accumulated profit is Rs 170 million. The earnings per share stands at Rs 8.04.

Api completed the construction of 8.5MW Naugad Gadh Hydropower Project as its first project using the water of Naugad Gadh River. It has also been evacuating electricity to national grid by using the water of the same river from its second project — Upper Naugadh Gadh Hydropower Project.

Source: The Himalayan Times, October 13, 2020

Decade-old rural electrification project making slow progress

Almost a decade since work began to bring electricity to Baijapur-3 and 4 in Rapti-Sonari Rural Municipality and Narainapur Rural Municipality-4 in Banke district, many villages are yet to be connected to the national grid due to politicisation, legal hurdles and slowpoke contractors.

In April 2009, a joint venture of Ushma and Gauri Parvati signed the electrification agreement, but work stalled. A lengthy legal hurdle emerged and prevented the rural electrification project from moving forward. Locals are frustrated as the electrification project stopped for a long time due to various internal conflicts.

State-owned power utility Nepal Electricity Authority terminated the 33 kV Kohalpur-Dhampur transmission line project a year ago after the contractor failed to finish it within the deadline.

Frustrated by the delays, locals have formed a struggle committee under the coordination of former Constituent Assembly member Pattu Tharu. The committee handed over a memorandum to the district administration office on Tuesday.

"As the contractor did not complete the work, people are disappointed. The contractor who was behind schedule even filed a case at the court stating that the Nepal Electricity Authority had unjustly breached the contract," Tharu said. "The contractor is misusing power as it is using political forces."

Nine wards, formerly a village development committee, of Raptipari were allocated a Rs315.33 million budget for the electrification project in July 2009. The Ushma and Gauri Parvati joint venture was awarded the first contract which has remained inactive.

For the second contract, Rs18.9 million was allocated in the last fiscal year and Rs20 million this fiscal year. According to Rapti-Sonari Rural Municipality, the electrification project has made 80 percent progress in Ward No 3, but work has not started in Ward No 4.

The Nepal Electricity Authority implemented the electrification project in Rapti-Sonari-5 through a separate contract and it is in the final phase of completion.

Lahuram Tharu, chairman of Rapti-Sonari Rural Municipality, said it was unjust that a contractor starts a legal battle and stops all work affecting the entire community. The sub-station constructed at Rapti-Sonari Rural Municipality-4, Dhampur for electrification across Raptipari has not come into use yet.

The authority is providing electricity service to some wards of Narainapur and Rapti Sonari-5 by connecting them to the Nepalgunj distribution centre.

In 2006, Ushma and Gauri Parvati had bid to expand 33 kV line for Rs460 million. No work was done for 14 years after the agreement was signed. Electricity has reached some villages of Rapti-Sonari-5 after they were connected to the line extending from Nepalgunj to Fatehpur.

Maheshwor Gahatraj, a Member of Parliament who has taken the initiative to implement the electrification project, said that the contractor's attitude was the major reason behind the slow progress. Contractor Mishra said problems arose when the Nepal Electricity Authority and political parties did not create a working environment for them.

According to him, the tender was cancelled even though they had fulfilled all the contract obligations. He said that after waiting for nine years, he incurred huge financial losses and even had to auction their land. "I had to knock on the court door finally," he said. "It was difficult to work. The political parties made me a scapegoat."

In Rupandehi, locals of a village adjoining Butwal sub-metropolis, which is the economic hub of the western region, are forced to pay more than Rs50 per unit for electricity. Locals of Tinau Rural Municipality-1 Jhigamara of Palpa, which is connected to Butwal sub-metropolis of Rupandehi and Sainamina Municipality, have to pay Rs100 for electricity every month.

Most of the houses in the village do not consume more than 1-2 units of electricity per month, but some of them have to pay a minimum fee of Rs100. Bishal Rana, a local, said that more than 200 households in Tinau Rural Municipality-1, Jhigamara and Thuliudang pay a minimum of Rs90 per month and Rs10 for maintenance expenses.

"We use power for lighting only and the meter does not show more than 2 units, but we have to pay Rs100," he said. Rana said that the problem was not only paying extra charges, but being deprived of electricity for almost half a month due to bad power transmission lines.

Another local, Yama Bahadur Gharti, said that it would be easier to get electricity under the Nepal Electricity Authority as the minimum charge levied by Kachal Community Electricity is high even if the power is used for only lighting.

Krishna Khadka, secretary of the community power distribution organisation, said that they have to pay Rs100 for up to 10 units of community electricity. "We have to pay Rs100 whether we use 1 unit or 10 units." If the meter shows more than 10 units, one has to pay Rs9 per unit.

He said that the committee was also looking into the management side as it is not possible to provide a salary of Rs15,000 for staff. Khadka said there was a problem in hiring employees as only Rs8,000-10,000 could be raised monthly from local households.

He said that they had been without a staff for the past one year, and now they had decided to hand over the responsibility to the authority.

Source: My Republica, October 14, 2020

Electricity will be cheaper next year: Energy Minister

KATHMANDU, Oct 14: Minister for Energy, Water Resources and Irrigation Barshaman Pun has said that the electricity tariff will be further reduced next year.

Speaking at a meeting of a task force formed by the council of ministers to study the energy sector on Tuesday, Pun said that the service will be made available at cheaper rates next year. Stating that the government has 50 percent share ownership of Khimti Hydropower Project and 456 MW Upper Tamakoshi Hydropower Project will start generating electricity by winter, he said that the government will be able to supply electricity to the consumers at a cheaper rate.

“With the government's ownership in Khimti Hydropower Project and per unit production cost is only four rupees in Upper Tamakoshi, reduction in electricity tariff is possible next year,” he said, adding that “The government is working to achieve the target of generating 15,000 MWs of electricity in 10 years.”

He said that it is easy to generate 15,000 MWs of electricity with investments from the government and private sector. The ministry is working to ensure that 10,000 MWs of electricity is consumed within the country, and the remaining 5,000 will be sold in international markets.

Minister Pun said there is a huge demand for electricity in the industrial and agricultural sectors, and that 10 percent of the population is still not connected to the power grid.

Minister for Industry, Commerce and Supplies Lekh Raj Bhatta said that the government has prioritized industrialization, and demands will increase as new industrial zones are being set up in Damak of Jhapa, Mayurdhap of Makwanpur, Panauti of Kavre, Chyangli of Gorkha, Chintutar of Tanahu, Shaktikhor of Chitwan, NauBasta of Banke, Dudejhari and Daidi of Kanchanpur. He urged the government to provide electricity at a minimum price in the industrial sector. He opined that the two ministries should work together to increase power generation and consumption.

Energy Secretary Dinesh Kumar Ghimire said that work was being done to construct transmission lines and other infrastructure to increase consumption. Ghimire said that “India wants to import clean energy from Nepal, Bangladesh and Bhutan as diesel plants have affected the environment.”

Source: The Rising Nepal, October 14, 2020

Construction Of Upper Dordi 'A' Hydel Project Halted

Lamjung, Oct 14 : Construction of the upper Dordi 'A' hydroelectricity project based at Dhodeni, Dordi rural municipality-6 in the district has been halted.

The project with the capacity of generating 25 megawatts power is promoted by Liberty energy Hydropower. Construction works were halted after 27 employees were found to have contracted coronavirus infection on Tuesday evening.

Project's official Rajendra Wosti said the construction works had to be stopped due to the increased risk of coronavirus infection with project's 27 employees testing positive for the virus and also for lack of workers.

Construction of most of the structures of the project, except the power house, has been completed. Ninety-eight per cent of the project construction is completed so far and it was targeted to produce power from December.

However, the COVID-19 is going to affect the project's works.

The project was started in 2014 and was targeted for completion in 2017. It was delayed due to the Gorkha Earthquake of 2015, the border blockade imposed by India immediately after that and the devastating flood the occurred last August.

It is estimated the construction cost of the project would exceed by Rs 676 million with the extension of the project's deadline.

The initial estimated cost of the project was Rs 3 billion 960 million. Now it is estimated to be around Rs 4 billion 636 million.

Source: My Republica, October 14, 2020

Solu Corridor transmission line project to resume work

KATHMANDU, Oct 14: The work of Solu Corridor 132 kV double circuit transmission line that was obstructed for the last two years is set to be resumed.

The project work was obstructed by consumers of Maruwa Harit Community Forest of Katari Municipality-4 of Udaypur district, following which construction of the transmission line was halted for the last two years. According to the Ministry of Energy, Water Resources and Irrigation, the obstruction has now been removed with Minister Barshaman Pun taking the initiative.

The locals had demanded compensation for land, route of transmission line and had also demanded that transmission line tower be shifted elsewhere.

Minister Pun, calling a meeting with the stakeholders on Tuesday, proposed to address the demands of the locals, in response to which the local representatives agreed to clear all sorts of obstruction in construction of the project.

Minister Pun clarified that the government is in favor of working on development projects by addressing the legitimate concerns of the people and said that no one should obstruct the development work. He said local governments and local representatives should play a responsible role as they are closest to the people.

"My long-standing effort to move the project forward has now met with success. I am satisfied," said Minister Pun.

Federal Member of Parliament Suresh Kumar Rai said the problems of the locals have been almost solved. "It has been agreed to remove the obstruction in order to compensate for the land used by the project," said Rai.

Gyanendra Shrestha, Mayor of Katari Municipality, mentioned that the minister expressed the commitment to address the demands of the locals. "Discussions were held with the Minister. We have informed the Minister about the demands raised by the locals, which will be solved after we return from Kathmandu," he added.

Due to the delay in the construction of the transmission line, powers generated in the district have not been connected to the national transmission line. Of the 23 MW electricity generated by the Solu Khola Hydropower Project, for example, more than 18 MW is going into waste.

A 90-kilometer long transmission line from Mirchaiya of Siraha to Tingla of Solukhumbu is being built. Of which 95 percent of the work has been completed, according to the Project head Janardan Gautam. "A total of 288 towers of the 302 proposed towers have been already installed."

The project has completed installation of a 45-kilometer double circuit line and construction of towers is underway.

Nepal Electricity Authority (NEA) has signed a PPA agreement for the under construction 325 MW project at the Solu Corridor.

Source: My Republica, October 15, 2020

Who pocketed nine billion rupees commission in Budhi Gandaki Project?

Four governments and four new decisions in the past eight years, Budhi Gandaki Project stands nowhere close to starting the construction works yet.

KATHMANDU, Oct 15: The Budhi Gandaki Hydropower Project has once again drawn media headlines after former Prime Minister Dr Baburam Bhattarai alleged in public that top leaders of ruling Nepal Communist Party (NCP) and Nepali Congress (NC) had received Rs 9 billion in commission to award its contract to a Chinese Company.

Earlier this week, former Prime Minister Bhattarai alleged that Prime Minister K P Oli and the former Prime Ministers duo Sher Bahadur Deuba and Pushpa Kamal Dahal had received Rs 9 billion in commission while awarding the contract for its construction to the Gezhouba Group. Although both NCP and NC have already refuted the allegation, Bhattarai's insistence that he also has evidence to support his claim continues to stir public debate and controversy, raising a serious question over the integrity of the top political leadership in the country.

That the top political leaders in the country are heavily involved in corruption through policy level decisions is not a new allegation in Nepal. But the allegation that came from the country's former prime minister has raised serious suspicion as each successive government in the past eight years had revoked the decision taken by the previous government on the Budhi Gandaki hydropower project.

The government-led by Dr Bhattarai back in 2012 had first decided to develop the power project through Budhi Gandaki Project Development Committee. But the government led by Pushpa Kamal Dahal after Bhattarai stepped down decided to award the construction contract to Chinese company, Gezhouba Group, revoking the decision taken by the Bhattarai-led government. Interestingly, Dahal had taken the decision two days before he stepped down as the prime minister.

This did not stop here. NC President Deuba, who succeeded Dahal as prime minister, again made a decision to build the power project through a domestic power developer. This decision also could not last for long as the government of K P Oli formed after the general election in 2017 decided to award the contract to the same Gezhouba Group.

The Oli-led government made a cabinet decision to award the contract to develop 1200-MW hydropower project to the Gezhouba Group Corporation without inviting competitive biddings from interested parties. As per the cabinet decision, the Ministry of Energy then awarded the contract to the Chinese company to develop the project on Engineering, Procurement, Construction and Finance (EPCF) model.

The decision of the Oli-led government back then drew widespread criticisms and protests as a section of people in the country allege that Prime Minister Oli had taken the decision apparently to appease China. Former Prime Minister Bhattarai has claimed in public that there was foul play involved in awarding the contract to the Chinese company without any competitive bidding process. Bhattarai has maintained that not just the ruling party

leaders but also Deuba, the leader of the main opposition party, received the commission amount to grant the contract to the Gezhouba Group.

The move of each successive government to change the decision taken by the previous government in the past eight years has made the construction of Budhi Gandaki project uncertain. While stating that construction modality of the project is yet to be finalized, Secretary at the Ministry of Energy Dinesh Kumar Ghimire said they hope to finalize this by mid-December.

Secretary Ghimire also said that it is wrong to argue that the project has been already handed over to the Gezhouba Group. "The cabinet decision had only paved the way to ensure coordination," he said. "It is wrong to say that the responsibility to develop the project has already been given to the Gezhouba Group."

Source: My Republica, October 16, 2020

Construction of 400 kV Dhalkebar substation nears completion

KATHMANDU, Oct 16: The construction of the 400 kV Dhalkebar substation has reached the final stage, with the Nepal Electricity Authority (NEA) all set to charge the substation after Dashain.

Provided the necessary work is completed on the Indian side of the border, the substation will enable the state-owned power utility to exchange 1,000-1,200 megawatt of electricity with India via the Dhalkebar-Muzaffarpur cross-border transmission line. According to NEA officials, the construction work will be completed in around one week and the authority will be charging the substation after Dashain, which is commencing from Saturday.

The Dhalkebar-Muzaffarpur cross-border transmission line is considered the most strategic infrastructure to carry out Nepal's power trade with its neighboring countries. Currently, the transmission line has been operating at 220 kV capacity. Two years ago, the substation was upgraded to carry 310 MW from 160 MW of electricity.

Despite Nepal's promptness for constructing necessary infrastructure for energy trade, India has not taken initiatives for the required preparation on the Indian land. According to a source, the Indian side has been delaying the construction work, citing waterlogging in the areas concerned.

The upgraded substation will have three power transformers each with capacity of 315 MVA. With the new capacity, it will be useful to export

electricity to India once there is surplus energy in Nepal. It will also support materializing the proposed energy banking between Nepal and India, according to NEA.

The NEA had planned to complete the construction of the Dhalkebar substation in April. However, the spread of coronavirus and lockdowns delayed its plan, the source said.