

Source: Karobar; 7 March 2015

## Projects aplenty in Marsyangdi corridor

CHHABILAL BAGALE

Almost a dozen hydropower projects are being constructed in the Marsyangdi corridor. The 150kilometer river—that starts from the confluence of Jarsang and Khangsar rivers in Manang—is considered perfect for hydroelectricity due to rapid flow of water.

The Department of Electricity Development has provided license for feasibility study and generation for eight projects now. Two big projects have been constructed and are in operation in the basin of the river that flows through Lamjung at the south of Manang. Mid Marsyangdi in Lamjung has been generating 70 MW and Lower Marsyangdi in Tanahu 69 MW for a long time now. Upper Marsyangdi A (50 MW) is being constructed in Bhulbhule, Lamjung and is scheduled to be completed in July.

The department has provided license for projects including Upper Marsyangdi 1 and 2, Upper Marsyangdi A, Lower Manang Marsyangdi and Divajyoti with installed capacity of 50 MW to 600 MW in the corridor. Private sector promoters have also been studying about construction of more projects in the river. Himtal Hydro, GMR of India, Sino Hydro of China, Sagarmatha Power Company, Divyajyoti Hydropwoer, Butwal Power Company and others have invested in these projects.

Many small and medium sized projects are also being constructed in tributaries of Marsyangdi river in the corridor. Projects with combined installed capacity of almost 1200 MW are currently under construction in the corridor. Projects are also being constructed, and some even starting generation and being connected to the national grid, in Dordi, Nyadi, Siuri, Midim, Randhi, Myardi and other rivers in Lamjung.

The government and stakeholders, however, do not seem to exercise caution while constructing many projects in a single river basin as a single natural disaster can destroy all the projects developed in the corridor. The state also has yet to formulate any standard about how many projects can be constructed in a single river and the distance between each of them.

<b>Project</b>	<b>Promoter</b>	<b>Capacity (in MW)</b>
Mid Marsyangdi	NEA	70 (completed)
Lower Marsyangdi	NEA	69 (completed)
Upper Marsyangdi A	Sino-Sagarmatha Hydropower	50 (under construction)
Upper Marsyangdi 2	Himtal Hydropower and GMR	600 (under construction)
Upper Marsyangdi 1	Multi-model Developers Pvt Ltd	138 (under construction)

Marsyangdi Basin	Divyajyoti Hydropower	50 (under construction)
Lower Manang Marsyangdi	Butwal Power Company	210 (under construction)

Source: The Rising Nepal; 8 March 2015

## **I worked better in energy sector: Minister Gyawali**

Minister for Energy Radha Gyawali has said that some media disseminated the news by minimizing her positive efforts made in the energy sector.

She said that some media houses still are negatively disseminating the news though the Ministry of Energy made better performance in a year of her tenure.

In a media brief there Saturday, the Energy Minister added that she respects the fourth estate of the state but some media houses are still biased against women arguing that she was devalued through negative news dissemination.

Minister Gyawali said that she would not be disturbed from the goal of leading the nation on the way to prosperity by developing the energy sector despite criticisms and obstacles in it.

She termed the signing of the Power Trade Agreement (PTA) with India as the positive step and claimed that they recently released annual progress report of the government has clearly stated that the energy sector has got historic achievement and Power Purchase Agreement (PPA) and Power Trade Agreement (PTA) held with India were the positive beginning remarks in the energy sector.

Source: The Rising Nepal; 9 March 2015

### **Lawmakers to Energy Minister: What model is Budhigandaki project?**

Lawmakers from the Budhigandaki Hydropower Project affected areas drew the attention of the government, citing the project could not move ahead if technical human resources are not managed and works of land acquisition and providing compensation are not completed.

Stating that there was dilemma whether or not the project would move ahead for lack of decision in political level, they expressed worry over failing to project the scheme as the project of national glory.

They said that although the project would displace more than 20,000 locals and inundate land of more than 24,000 people, no works are initiated yet. The lawmakers also drew the attention of the government to build reliable basis for the same. The Detailed Project Report preparing by a French Construction Company has showed that the project could produce 1, 200 MW electricity.

The lawmakers pointed out the need of forming a high-level committee under the coordination of the prime Minister to forward the project, which would affect 27 VDCs in Dhading and Gorkha districts in a direct and indirect manner.

The project-affected area local representatives stressed on participation of the locals, giving first priority to the domestic investment and giving secondary priority to the foreign investment in the construction of the hydroelectricity project being developed as the largest such project in the country's energy development history.

The people's representatives from Dhading and Gorakha, the two districts affected by the project, speaking in the today's meeting of the Agriculture and Water Resources Committee under the Legislature-Parliament, asked the Minister for Energy Radha Gyawali, regarding the modality on which the project was being constructed, its basis, when the project works would be started and whether the locals would be involved or not.

Minister Gyawali said that the government would leave no stone unturned for taking the project forward. She said the highest priority has been attached to this project and it would be taken ahead as a multi-purpose project.

The Minister said that the Detailed Project Report of the project would be finalised by coming Asar 15 and the works would be forwarded by resolving the problems seen at the local level.

Secretary at the Ministry of Energy Rajendra Kishor Chhetri said there is the need of some amendments to the modality of the project as the locals and stakeholders would be deprived of investing in shares of the project if it was developed under the present Development Committee model.

The Agriculture and Water Resources Committee president Gagan Thapa directed the Ministry to start the construction works at the earliest instead of only forwarding the paperwork.

Lawmakers-- Rajendra Pandey, Hitraj Pandey, Chinkaji Shrestha, Dhan Bahadur Ghale, Guru Prasad Burlakoti, kamala Panta, Dilman Pakhrin, Gangalal Tuladhar, among others drew the government's attention.

Source: Karobar; 9 March 2015

# Land acquisition, resettlement for Budi Gandaki to cost Rs 61b

BABURAM KHADKA

KATHMANDU, March 9

Land acquisition, and rehabilitation and resettlement of the locals displaced along the 46-kilometer reservoir of 1200 MW Budi Gandaki project will cost Rs 61 billion, as per the feasibility study done by consultant Tractebel Engineering of France. Tractebel has estimated total project cost to be Rs 250 billion.

Executive Director of Budi Gandaki Hydropower Project Development Committee Gopal Basnet says cost of land acquisition, and rehabilitation and resettlement was earlier estimated to be Rs 54 billion but it has now increased to Rs 61 billion. “The amount has increased as we have included many things that were missed. The amount can rise further as counting of the locals is still being done,” he states.

He reveals 45,188 locals of 14 VDCs in Gorkha and 13 VDCs in Dhading will be displaced by the project. “The locals are demanding that they be compensated at the rate of land along the Prithvi Highway as a bridge has been constructed over Trishuli river at Benighat to connect the area with the Prithvi Highway. The cost will rise further if the project is delayed further as price of land is rising,” he explains.

There has been no transaction of land in the area for the past three years due to talks about construction of the project. The affected locals, according to Basnet, wish to invest half of the compensation amount on shares of the project. The government has allocated Rs 570 million in the current fiscal year to complete pre-construction work for the project. He says the detailed project report (DPR) will come by this July. But the DPR may not be completed in the scheduled time with the Environment Ministry delaying approval of the environment impact assessment (EIA). He reveals the consultant has already proposed a two-month extension due to possibility of delay. “We may have to extend it if the EIA were not approved through fast-track. This will increase the project’s cost by a bit,” he adds.

Secretary at the Energy Ministry Rajendra Kishore Chhetri told the Agriculture and Water Resources Committee of the parliament on Monday that discussions have been moved forward with the Finance Ministry to manage the money needed for land acquisition. He also conceded that Rs 61 billion cannot be allocated immediately for land acquisition and resettlement. Stating that there has been no decision to use the soft loan of Rs 100 to be provided by India for the project, he revealed that investment model has also yet to be finalized. He also clarified that the project has been designed primarily for electricity generation, and irrigation, navigation and tourism will not be prioritized.

The project—which is close to the major load centers like Kathmandu, Pokhara and Narayangarh—is estimated to generate 3.38 billion units of electricity a year. The dam of the project will be 263 meters high. The per MW cost of the project will be Rs 212.50 million and per unit cost Rs 7.35. The project was set to be completed in 2022 but it is likely to be delayed as preliminary works have yet to be completed. Many problems are likely to arise during land acquisition, and rehabilitation and resettlement for the big reservoir that needs to be constructed.

### **Contradiction between minister and secretary**

The opinions of Energy Minister Radha Kumari Gyawali and secretary of her ministry Chhetri about the investment model are contradictory. Secretary Chhetri told the Agriculture and Water Resources Committee meeting Monday that a company model would be appropriate as investment of the affected locals and other citizens is necessary for development of the project. Stating that the current development committee is obstructing investment and the project cannot move forward under it, he argued that the project should be developed through a company.

Speaking immediately after secretary Chhetri, minister Gyawali, however, claimed that the project will be developed under the development committee. She also revealed that there has been no preparation to change the model for the project now. “Not just Budi Gandaki and Nalsing Gad but even Lower Arun, Upper Arun and other projects will be moved through development committee. Big projects will now be moved forward through development committees,” she added.

Source: My Republica; 10 March 2015

## **Apex court denies interim order on Upper Tamakoshi**

The Supreme Court has refused to issue interim order on the shares allocation process of Upper Tamakoshi Hydropower Limited (UTKHPL).

Responding to four separate petitions filed by different individuals, a division bench of Justices Sushila Karki and Om Prakash Mishra noted that there was no need to issue stay order.

The apex court's decision has paved the way for UTKHPL to continue its Initial Public Offering.

"Since there was not any violation of constitutional and legal rights as argued by the petitioners and the issues raised in the petitions shall be addressed in the final verdict, there is no need to issue the stay order on the principle of balance of convenience," reads the decision.

UTKHPL has launched IPO for staff members and depositors of its lending institutions along with the project-hit locals of Dolakha. The company has allocated 4.07 million units of shares to staff members of NEA and UTKHPL, 18.3 million units to depositors of EPF and 3.05 million units to staff of Nepal Telecom, Rastriya Beema Sansthan, Citizens Investment Trust and Employees Provident Fund.

Source: The Himalayan Times; 12 March 2015

## **Power outage to go down by 2 hours**

The Nepal Electricity Authority said that the load shedding hours will go down by two hours, effective from March 16.

The NEA has decided to slash the load shedding hours in view of the upcoming School Leaving Certificate (SLC) examinations which will start from March 19.

Currently, the valley denizens are bearing the brunt of 11-hour load shedding daily.