

Source: The Rising Nepal/The Himalayan Times; 9 Aug 2015

Daramkhola 'A' hydel project to generate power in two months

Rastriya Samachar Samiti

The overall construction works of Daramkhola 'A' Hydropower Project based in Baglung district has reached the last phase.

The project with capacity to generate 2.5 megawatt power is being developed by the non-resident Nepalis (NRNs) in Hil and Ghumseli VDCs in the district.

The project is most likely to resume power by mid-October, according to the Sayapatri Hydropower, the developer company. Project's intake and pipeline related works have already been completed.

Manager of the Project, Engineer Gopal Neure, said that the civil construction of the project is almost completed.

The total cost of the project is estimated Rs 460 million. Neure said that a dam has been constructed at Hil VDC-2 while the powerhouse is situated at Ghumseli in Argal VDC-7 in the district.

The project that started some two and half years ago was expected to generate the power operation by this year's mid-June. But, it failed to do so due to some technical snags, it is said.

Modikhola Hydel Project resumes

The Modikhola Hydropower Project of 14.8 megawatt located at Patichaur in Parbat district, which was closed since Wednesday due to flood in the Modi River, has resumed power generation from Sunday.

The project started the power production after cleaning the trash rack at the intake and carrying out maintenance of the damaged transmission line along the Pokhara-Baglung Highway, chief of the Project Tara Dutta Bhatta said. The heavy flood and landslides occurred in the region along the route had affected the power generation and damaged the transmission line, affecting the power transmission.

The Nepal Electricity Authority-owned company has started to generate 10 megawatt of power after the maintenance.

Meanwhile, power generation from Lower Modikhola-I, a 10-Megawatt project, is disrupted after the flood in the Modikhola (river) damaged the powerhouse located at Chuwa.

Director of the Project Upendra Gautam said that the flood damaged property worth Rs 300 million and that the repair and power resumption of the project would take about two months.

Source: The Kathmandu Post; 9 Aug 2015

Construction work resumes after pact

- *Khimti-Dhalkebar transmission line project*

- *RAJKUMAR KARKI*

Construction work on the 220KV Khimti-Dhalkebar Transmission Line project resumed on Saturday following an agreement between the Dispute Settlement Committee and agitating locals.

The locals of Bhimeswor-9 had been obstructing the construction work for the last two years, putting forward demands such as higher compensation for their land.

Following the agreement, local Baburam Devkota has received compensation for the acquired land, according to Pralhad Pokharel, coordinator of Dispute Settlement Committee.

Devkota accepted the compensation after he was asked not to obstruct the project of national importance. "It is a good beginning. We have to focus on completing the project as soon as possible," said Pokharel.

Chief District Officer Dipak Raj Nepal handed over a cheque to Devkota for acquiring his land and two houses for pole erection.

Project chief Shyam Kumar Yadav said only two poles have to be erected in the Khurkot area to expand the transmission line.

Devkota said the compensation amount was lower than the market price, but he accepted it "after all the people requested".

The World Bank-funded 75-km transmission line project based in Khurkot, Sindhuli, is yet to be completed even 10 years after the construction began. The project remained in limbo after the locals refused to accept compensation offered by the government.

Of the 188 towers under the project, 180 have already been constructed. The eight towers along this 3.5-km stretch had been delaying the project completion.

Pokharel said house owners in Kamalamai Municipality-7 have also prevented the expansion of the transmission line.

The district will be made load-shedding free from Sunday. Last week, the local administration and political representatives agreed to run the transmission line through Kamalamai Municipality 7 on condition that Sindhuli will be freed from load-shedding after electric poles are erected at Khurkot. However, locals have yet to accept the agreement.

“The work has now begun. We will ask other people who have not yet received the compensation to accept it,” said Pokharel. “I think the people will not obstruct the project now.”

CDO Nepal hoped all the people would accept the compensation and would not obstruct the national priority project. Only 37 people of Kamalamai municipality are yet to accept the compensation.

“The state wants to solve the problem without using force. Only a few have not yet come to receive the compensation,” he said.

The locals had been raising the issue of potential health hazards due to the transmission line, but a World Bank team concluded that the project won't cause any such hazards.

Yadav said they have plans of completing the expansion of the transmission line within the next six months once all the obstructions are cleared.

Source: Karobar; 9 August 2015

Upper Tamakoshi safe even after quake

A panel of experts including American geologists and seismologists has said that dam of the Upper Tamakoshi Hydropower Project is not under risk after the earthquake despite fears that the quake had damaged the dam.

The panel including five experts, formed to study different problems seen in the structures of the project after the earthquake and to submit report including recommendation, following field study has submitted its report concluding that there are no serious problem and it can be managed. This has paved the way for promoter Upper Tamakoshi Hydropower Limited to move construction forward. “The study has showed that construction ca immediately be resumed as the quake has not damaged the dam, tunnel and other structures. Work will now resume immediately after the monsoon,” project director Bigyan Prasad Shrestha said.

He revealed that the experts advised that the dam must be made stronger even if its structure is safe. “There is no problem in the project apart from the access road. There are recurring landslides in the access road due to the rainfall and we are repairing that,” he added. Study of tunnel by consultant Lahmeyer International immediately after the quake had also found no geological problems. The under-construction dam of the project has collapsed by 18 centimeters due to the quake. The panel of experts has concluded that the collapsing of dam can be managed. The report was prepared by American experts Dr JK Mitchel, Dr IM Idris, Dr WF Marcson, Dr RE Martin and Dr Binod Tiwari. The experts had arrived in Nepal for study 11 days ago.

Construction of the project has been stalled after the quake, affecting the action plan to [Cast Iron Teapots](#), [Mens Amber Bracelets](#), [Wholesale Wooden Tea Cups](#), [Kids Sleeping Bags](#) by next June. Cost of the project is also expected to rise due to the delay. Sino Hydro Corporation of China is doing civil construction of the project. The Nepal Electricity Authority (NEA) expects load-shedding to end during the rainy season and fall significantly even during the dry season once the project starts generation. The national pride project is estimated to generate 2.28 billion units of electricity per year. The project also aims to generate an additional 176 million units during the dry season by channeling water of Rolwaling into Tamakoshi.

Source: The Rising Nepal / The Himalayan Times; 11 August 2015

Row in compensation results in waste of 8.5 MW power

Bhimduttanagar, Aug. 11:

The 8.5 megawatt power generated from the Naugadh small hydropower project is still not fed into the national grid due to disruption from the locals of some areas in Dadeldhura and Baitadi districts.

The project constructed by the Api Hydro Power Company started power generation from July 21 but the power has not been linked to the national grid over the row between the local residents and company on compensation.

Chairman of Api Hydropower Project Guru Prasad Neupane said that the local residents have disrupted the extension of the national grid in the surroundings of Dadeldhura district headquarters along with Chamtadi and Panjonaya areas in Baitadi district.

Neupane added that the local residents in the affected area in Dadeldhura have demanded a huge amount in compensation while the people in Baitadi have prevented from falling down the trees in the premises of a temple arguing that something might go wrong if the trees were to fall down.

Neupane expressed dissatisfaction for the delay in construction of national grid saying that the company is facing huge amount of economic loss for not getting chance to supply the power generated though the project was completed in right time.

As per the agreement, the Nepal Electricity Authority (NEA) is responsible for the development of the transmission line. But, dillydallying and negligence on part of the NEA and other government agencies is to be blamed for problems in transmission line expansion.

Likewise, the NEA officials said that the row over compensation in Dadeldhura is likely to end soon but the issue is serious in Baitadi district due to the conjurers' stance.

Source: RSS

Source: Karobar; 11 Aug 2015

Minister pressures to hike electricity tariff

BABURAM KHADKA

The Electricity Tariff Fixation Commission (ETFC) has started homework to raise tariff within a month under pressure from Energy Minister Radha Kumari Gyawali. The ETFC is holding discussion with the stakeholders about that.

“Minister Gyawali is putting pressure to raise tariff soon. We have started discussions after pressure from the ministry. There is no alternative to raise tariff even to improve financial health of the Nepal Electricity Authority (NEA) that is in crisis with accumulated loss of 20 billions,” ETFC Chairman Jagat Kumar Bhusal said. He stated that tariff will be raised by around 20 percent. The NEA has already proposed to the ETFC to raise tariff by 20 percent.

Bhusal said there is chance of quick decision on the issue as all the members are positive about that. He revealed that discussion is being held about the proportion and rational of hike. The NEA claims that there is currently loss of Rs 2.49 per unit in distribution and selling of procured electricity. The ETFC had raised tariff by 13.7 percent last year but that could not be implemented after the Supreme Court issued an interim order to block that. The Apex Court has already opened the door for hike since. Tariff was last hiked in June 2012 by 20 percent.

Bhusal revealed that modality of hike will be changed this time. Stating that consumers using different amount are currently paying the same amount, he added that it will not be same now. Tariff rate for household users who consume up to 20 units a month will be changed. Rate for users in that range was not changed earlier. They are currently paying a flat rate for Rs 80 for consumption of up to 20 units. “Those using just five units and 20 units are currently paying the same amount. We are preparing to charge service charge of Rs 50 for meter of five ampere and Rs 2-2.50 per unit to change that. Decision will be taken after discussion,” he revealed.

Stating that tariff hike is not the only way for financial improvement, he advised the NEA to make institutional reforms, cut expenses, control leakage, and develop cheaper projects. The NEA currently suffers from technical and non-technical leakage of around 24.5 percent. He opined that the NEA itself should manage the losses incurred while procuring electricity from India and Nepali producers, and stated that the NEA must take opinion of the ETFC while buying from India and signing power purchase agreement (PPA) with promoters.

Pointing that a few small and big projects, that generate almost one billion units a year, have completed 25 years, he argued that electricity generated from those projects must be sold at a cheaper rate.

Source: My Republica; 09 Aug 2015

Call to focus on power exports to India

The private sector has urged the government to focus on power exports to India, which, according to them, is one of the best ways to bring Nepal's increasing trade deficit with the country into control.

Organizing a discussion with Nepal's Ambassador to India Deep Kumar Upadhyay on the current status of bilateral trade between the two nations, officials of the Federation of Nepalese Chambers of Commerce and Industry (FNCCI) said that special focus had to be given to power exports to India to cut Nepal's trade gap with India.

FNCCI officials also emphasized that Nepal needed to minimize the import of diesel -- a major role-player in the increasing of the trade deficit between the nations.

During the discussion, FNCCI President Pashupati Murarka urged Upadhyay to hold talks with the Indian government to increase the pace of construction of the Amalekhgunj-Raxual pipeline. Murarka said the Indian government had to include trade-friendly export and import provisions in the 'Nepal-India Treaty of Trade' which is slated to be reviewed on October 2016.

Similarly, former FNCCI president Chandi Raj Dhakal called for the expediting of the ongoing construction process of transmission lines and said that the prospect for new transmission lines should be looked into. "Energy export to India is the only medium that can reduce the country's trade deficit with India," Dhakal said, adding: "We should also encourage Indian investors to invest in Nepal's energy sector."

FNCCI officials also said that Nepali products -- mostly agriculture exports -- have been facing problems at quarantine stations because of which Nepali traders have been finding it difficult to export these goods to India.

The Nepali envoy Upadhyay committed that he would help the private sector increase exports of Nepali goods to India. Upadhyay also urged the private sector to compile a list of their concrete problems and possible measures. Upadhyay said that the Indian government had always been positive toward Nepal's development. "To tighten and strengthen Indo-Nepal economic relations is my first priority."

Source: The Kathmandu Post; 13 Aug 2015

HIDCL expects \$50 million in soft loans from ADB

Hydroelectric Investment and Development Company Limited (HIDCL) has said it expects to get a concessional loan of \$50 million from Asian Development Bank.

The government-owned company has so far mobilised domestic resources although its memorandum of association allows it to mobilise international resources to finance in the hydropower sector. According to the company, the move is aimed at raising its fund size.

“We have clarified and commented on the compliance-related documents sent by the ADB as a pre-requisite get the soft loan,” said HIDCL CEO Deepak Rauniyar. “We expect that the loan negotiations will begin soon.” He said the Finance Ministry would negotiate to secure the loan for the company. The ministry, however, said there has not been advanced-level bilateral discussions on the matter.

“There had been talks about securing the loan for HIDCL, but there has not been significant development yet,” said Hari Pandey, under secretary at the ministry.

HIDCL expects the approval of the ADB loan would help enhance its credit rating internationally indirectly. “Once the loan is agreed, it will help us get finance from other international financial institutions as well,” said Rauniyar.

The Post’s efforts to contact ADB’s Country Director Kenichi Yokoyama could not materialise on Thursday.

HIDCL is handling the lending arrangement for the US\$40 million committed by the World Bank to 37.6MW Kabeli Hydropower project being developed by Butwal Power Company. “The trust of these two global lenders will definitely help to gain trust of other international institutions too,” said Rauniyar.

The company formed to develop and finance the hydropower sector has so far made loan investment in nine hydropower projects and made equity investment in two companies, including its subsidiary Remit Hydro Limited and the PTCN, the company which is building and managing the cross-border transmission line on the Nepal side.

Its total fund stands at Rs 8.72 billion and is planning to conduct initial public offering to raise is paid-up capital.

Source: The Rising Nepal/The Himalayan Times; 14 Aug 2015

PPA of Darbang-Myagdikhola Project completed

Rastriya Samachar Samiti

The power purchase agreement (PPA) of the 25 MW Darbang-Myagdikhola hydropower project based in west Myagdi was concluded on Thursday.

Acting Deputy Executive Director of Nepal Electricity Authority, Planning Monitoring Directorate Rajiv Sharma and Proprietor of Dhaulagiri Kalika Hydro Private Limited signed the PPA agreement.

According to the PPA, the NEA will purchase power from the project at the rate of Rs. 4.80 per unit during monsoon and Rs. 8.40 in the four months of the dry season.

The PPA will help us speed up the construction of the project and also attract the investors, said Chairman of Kalika Hydro Pramod Shrestha.

The run-of-the-river project will have its power house at Sahaswardhara in the border of Darbang and Babiyachaur VDCs. This will be the first hydropower project in east Myagdi. The project is estimated to cost Rs. 3.93 billion.