

Source: The Rising Nepal; 8 Nov 2015

'Govt to speed up construction of big hydropower projects'

Amid fuel crisis caused by an 'unofficial' blockade of supplies into the country by India, the government is planning to speed up the constructions of big hydropower projects, a source said.

The source said that the government is resorting to the move to make the country independent in terms of fuel production and narrow a huge trade deficit, deeming the hydropower as the best alternative to such steps.

Deputy Prime Minister and Energy Minister Top Bahadur Rayamajhi said that the government is planning to speed up construction of hydropower projects like Budi Gandaki.

Meanwhile, Dipak Rauniyar, executive chief of the Jalavidhyut and Bikash Company, said that there is no need to ask for foreign investments in up to 1,000 megawatts-hydropower project as investors at home are ready to invest.

Earlier, Prime Minister KP Sharma Oli recently said that existing load shedding hours could be ended within one year if all under-construction hydropower projects are completed.

Minister Rayamajhi said that around 500 megawatts power would be imported from Dhalkebar-Mujaffarpur Hydropower Project under Nepal-India transmission line.

The country imports fuel worth around Rs 140 billion from foreign countries with liquefied petroleum gas worth around Rs 40 billion alone.

Source: Karobar; 9 Nov 2015

NEA asks to cut consumption during Tihar

The Nepal Electricity Authority (NEA) has urged the consumers to cut use of electricity at peak hours following acute fuel crisis due to the Indian blockade stating that there will be deficit of 600 MW in the system.

Stating that there can be obstruction in system operation from five in the evening to 10 in the night on the occasion of Laxmi Puja on Wednesday, the NEA has appealed to the consumers to not lit festive lights, and use power intensive equipment like rice cookers, microwave ovens, irons, air conditioners, heaters and pumps at that time. The NEA projects demand to rise up to 1400 MW on Wednesday. It was 1291 MW on Laxmi Puja last year.

Chief of the System Operation Department of the NEA Bhuwan Kumar Chhetri said the NEA will supply 800 MW including 340 MW of NEA, 195 MW imported from India, and 195 MW imported from private producers. The NEA will also operate Kulekhani Project at full capacity on the day. It is not operated now. “We will be forced to cut supply as there will be shortage of 600 MW. We have requested to not use equipment that uses more electricity as others can also use electricity if we adopt austerity,” he reasoned.

The NEA is facing problems in management of load-shedding as generation of 90 MW was stopped as 10 projects were damaged by the earthquake on April 25. The country is suffering acute energy crisis as demand rises by around 100 MW a year while generation has not increased to meet the rising demand. Chhetri has warned that use of heavy equipment can result in explosion of transformers, tripping of feeder due to overload, and disruption in supply for a long time due to problem in the grid and substation.

The NEA plans to manage load-shedding this winter by increasing import from India by 100 MW to 337 MW. But the NEA’s plan can be affected due to obstruction in construction of transnational transmission lines owing to problems in tarai.

Source: Karobar; 9 Nov 2015

Border blockade hits construction of Chameliya Hydel Project

Needless to say that the border blockade imposed by India on Nepal has badly hit the normal life of people in the country.

Not only this, the disruption of essential supplies, fuel included, due to the blockade has also impeded important development projects, including the Chameliya Hydroelectricity Project at Balacha, Sikha VDC-4 in Darchula district.

The construction of the 30-megawatt Project has been hindered following the trade embargo as it disrupted the supply of fuel and other construction materials, according to Pushparaj Joshi, Assistant Manager of the Project.

“We are lacking cement to construct the power house,” shared Joshi, adding that the supplier company of such construction materials has ceased the supply for few months. Furthermore, the long holidays during festival time also hampered the speed of the project, according to him.

A Project contracted to Gezhouba Group of Companies, a Chinese company, also has the investment of the government and the Nepal Electricity Authority (NEA).

Much to the dismay, the construction of this under-construction Project has been stagnant after May 2014, citing the untimely payment of the NEA.

Initiated some seven years ago, the construction deadline of one of the largest hydel projects of Far-western Region is further pushed away owing to the current blockade.

Source: Karobar; 9 Nov 2015

Of projected 1176 MW, only 50 MW connected to national grid by 2014

RUDRA PANGENI

A study panel formed in 2009 had projected to connect an additional 1,176 MW to national grid by 2014. But only 50 MW was connected to the national grid by 2014.

"Development of hydropower projects as per the plan would have brought down load-shedding significantly. Also, the energy crisis due to Indian blockade won't have been so severe," a member of the study panel told Republica.

Talking to Republica, Bhoj Raj Regmi, secretary general of the 'Twenty-Year Hydroelectricity Development Plan Devising Panel 2009', said hydropower would have been a good alternative for cooking. "We would already be in a position to export hydropower to India. Given the inter-dependence, India won't have imposed blockade," he added.

The panel was formed by Madhav Kumar Nepal-led government to devise plan for generation of 25,000 MW within 20 years. The panel had projected that undergoing projects having combined capacity of 1,176 MW would start generation by 2014.

Chameliya, Kulekhani 3, Upper Trishuli 3A and Upper Seti, which are being developed by Nepal Electricity Authority (NEA), were expected to be completed by 2014. Similarly, six other projects with combined capacity of 743 MW, being developed by NEA's subsidiary companies, were also expected to come into operation by 2014.

"Power generation at present is not much different compared to 2009," Regmi said, adding, that Nepal's electricity import, however, almost doubled during the period.

Nepal import hydropower worth Rs 10 billion from India in 2014/15.

The panel had expected independent power producers to add 127 MW to national grid by 2014. It had recommended Department of Electricity Development (DoED) to award 10 different 10 projects having combined capacity of 127 MW to the private sector through open competition. But DoED did not act accordingly.

"Long-term plans, like the ones recommended by Regmi's panel, often gather dust due to frequent change of governments," former energy secretary Shankar Koirala, who retired in 2011, said.

The nation saw as many as five ministers in the five-year period.

"There has been much talk but little action," Koirala said in a frustrating tone.

Energy demand rises by around 100 MW every year. But increment in power generation is disappointingly low.

The panel had also recommended classifying projects. It had recommended that NEA and government focus on large-scale projects like Budhigandaki and Upper Arun, and give small projects to private sector.

He also said slammed NEA for dilly-dallying on signing Power Purchase Agreement (PPA) with the developers. “Projects awarded through open bidding like the Super Six projects, including Lower Solu, waited for more than three years to sign PPA,” Khadga Bahadur Bisht, president of Independent Power Producers’ Association, said.

License of Upper Solu Hydropower Project, one of the Super Six project, has now been scrapped, citing low progress in project development. “This shows that environment is not conducive for project development,” said Bisht.

Uncertainty in construction of transmission lines is the other problem that Super Six projects are suffering. Many projects are failing to achieve financial closure due to delay in construction of transmission lines by NEA.

Source: Karobar; 9 Nov 2015

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Source: My Republica; 12 Nov 2015

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Source: My Republica; 17 Nov 2015

Ending load-shedding within a year not possible

Prime Minister KP Sharma Oli on Sunday announced to end load-shedding within a year. But the target cannot be achieved even after the planned 200 MW solar plant is installed.

In his address to the nation on Sunday, Oli said the government will do the needful to expedite under construction power projects and transmission lines. He also said the government will provide incentive package for small and medium scale power developers. He also promised to ease the process of signing Power Purchase Agreement (PPA) with independent power producers and floated the plan to build solar plants with combined capacity of 200 MW, which is about one-fourth of hydropower that the country has been generating, within a year.

Undergoing projects like Chameliya (30 MW), Kulekhani III (14 MW) and Upper Marshyangdi (50 MW) can start generation within a year if strong initiative is taken by the government.

Electricity demand during peak hour is around 1,250 MW. But supply in the system is only around 700 MW which includes power imported from India.

Hydropower projects in the country have installed capacity of around 750 MW. However, generation falls by around 50 to 60 percent during dry months when demand hits the peak. Also, the Upper Bhotekoshi, which was damaged by the April earthquake, has not started generation yet.

Rajendra Kishor Kshatri, secretary of Ministry of Energy, said around 125 MW will be added to national grid within this fiscal year. "We are also importing additional 90 MW from India," he added. He also said under-construction projects will be able to begin generation within this year only if they receive sufficient fuel.

Khadga Bahadur Bisht, President of Independent Power Producers' Association Nepal (IPPAN), does not believe load-shedding will be eliminated anytime soon. An official of Nepal Electricity Authority (NEA) told Republica that load-shedding can be reduced substantially.

Government officials say they plan to import 90 MW from India once construction of 400 kV Dhalkebar-Mujaffarpur cross-border transmission line is complete. But NEA needs to build a substation to import power from the new transmission line. Officials say Nepal can import up to 1000 MW from India once the substation is built.

IPPAN also has already urged the government to declare energy crisis and introduce special measures to facilitate construction of hydropower projects and transmission line.

Though solar plants are increasingly become affordable, thanks to drop in price of solar panels in international market, it is still unsure whether or not such plants will be financially feasible.

Bisht doubts NEA will sign PPA at high rates to purchase electricity generated by solar plants.

He also said it will be difficult to find huge swathe of open space to install solar plants.

NEA is planning to install solar plants in four different places -- Pharping, Kulekhani, Trishuli and Devighat - to generate 25 MW as they could not find a single land plot for the purpose.

Regardless of what PM Oli has announced, the country can eliminate load-shedding, at least during we months, only after Upper Tamakoshi starts generation by the end of 2017.