

Source: My Republica; 23 Jan 2016

## **Energy secretaries of Nepal, India meeting in Kathmandu next week**

### **Reports on inter-country grid connection plan, supply regulation to be discussed**

Energy secretaries of Nepal and India are meeting in Kathmandu next week as part of follow-up deliberation for implementing Power Trade Agreement (PTA) signed in October 2014.

The second meeting of Joint Steering Committee (JSC) will hold discussion on reports prepared by two separate technical teams, particularly devising cross-border grid connection plan in respect to the power generation in different timeline in Nepal as well as preparing groundwork for connection synchronization, and regulation of two-way electricity supply operation.

The first JSC and Joint Working Group (JWG) of joint secretaries were held in New Delhi in November 2014. The JWG meeting had formed two panels -- Joint Technical Committee (JTC) and Joint Operation Committee (JOC) -- to implement bilateral agreement between the two countries.

The JWG meeting will precede the secretary level meeting during the two-day bilateral talks.

Suman Prasad Sharma, secretary of Ministry of Energy, said that the meeting will be a follow-up of the first meeting. "The focus will be on technicalities of trading power as per the technical committee reports. In addition, we will also hold talks regarding import of at least 90 MW from India through the available system," Sharma, who will co-chair the meeting, told Republica.

Work on construction of 140-kilometer 400 KVA transmission line between Dhalkebar of Nepal and Muzaffarpur of India is in the last leg and government officials say there is the possibility of connecting at least 90 MW in the existing infrastructure. Delay in construction of substations in the Nepali side has affected plan to import more electricity from the southern neighbor, according to officials.

Nepal has already signed an agreement to import 150 MW through this new line. Officials say Nepal will be able to import up to 500 MW from India once this transmission line comes into operation.

Pradeep Kumar Pujari, Secretary of India's Ministry of Power, will co-chair the meeting.

The bilateral meeting is being seen as crucial for Nepal as the country is reeling under severe energy crisis due to scarcity of fuel because of the Indian blockade since September. The meeting is expected to build a ground for energy cooperation despite supply disruption by Nepal's sole petroleum supplier.

"We expect to increase electricity imports from India," added Sharma.

Nepal is currently importing more than 220 MW from India. Existing grid connectivity between the two countries, however, is yet to be fully synchronized for two-way trading.

A representative of Joint Technical Committee told Republica that they have proposed construction of six new substations in Duhabi, Dhalkebar, Butwal, Kohalpur, Lamki and Attaria to connect with different transmission networks of India.

The committee has held two bilateral meetings so far. It has prepared a blueprint of transmission line connectivity considering three phases of electricity generation in Nepal by 2021, 2025 and 2035.

Besides this, a transmission line master plan also has been developed which will be discussed in the meetings, officials say.

Members of the Joint Operation Committee (JOC), the committee assigned to do necessary homework for operation and regulation of power supply, met in New Delhi on Thursday to give final shape to its report which will be discussed in JWG and JSC meeting.

Nepal and India signed PTA in October 2014, two months after Nepal visit of Indian Prime Minister Narendra Modi. Though the agreement paves the way for energy exchange between the two countries, little progress has been made in this front so far.

According to PTA, secretary level meeting was to be held once a year and JWG meeting every six months. But no such meeting has been organized since November 2014.

Energy ministry officials say the JWG meeting was planned in April or May last year. But the plan was affected by the April earthquake and Indian blockade.

Nepal had been pushing for energy trade agreement with India for long. It had repeatedly put the agendas in the Nepal-India Joint Committee on Water Resources -- a permanent bilateral body that discusses water resources issues. But India was reluctant to sign the agreement until the Modi government came in power in early 2014.

Nepal wants to exchange energy with India to balance its higher demand for dry months and possible energy surplus in wet months. The country has installed capacity of around 800 MW. But power generation falls to half during dry months when peak demand soars to above 1500 MW.

Source: The Rising Nepal; 25 Jan 2016

## **Construction works in Theulekhola Hydel Project affected due to quakes, blockade**

The construction works of the Theulekhola Hydropower Project have been affected after the 'Gorkha Earthquake' and due to the ongoing fuel crisis following the India's blockade on Nepal.

The completion of the project with 1.5 megawatt capacity being developed in Baglung district is delayed though it was supposed to have generated the power some two months ago.

Site Engineer of the project, Sagar Sharma, said that the construction works of the project were halted completely for seven months due to earthquake and then fuel crisis. He added that the construction works have been started from mid-January but the speed is still slow.

Sharma shared that the labourers from the earthquake-hit districts have not returned to their job so far adding that shortfall in the supply of construction materials and fuels is hindering progress in the construction.

The total cost of the project is also estimated to increase by 10 per cent due to delayed in the construction though the entire works of the civil construction were completed.

The project based in Kushmisera, Sarkuwa and Binamare in the district is being developed from the Barahi Hydropower Limited with the investment of Rs 300 million. The local residents have also 10 per cent share of the total investment in the project. RSS

Source: My Republica; 25 Jan 2016

### **IBN allows Statkraft to quit Tamakoshi 3**

Investment Board Nepal has decided to Statkraft Holding Singapore Pvt Ltd to exit from Tamakoshi 3 hydropower project.

The Norwegian company had said it was quitting the 650-megawatt project due to lack of viable power off-take option, lower demand and electricity price forecasts, and insufficient transmission capacity for power evacuation, among other reasons.

IBN board meeting chaired by Prime Minister KP Sharma Oli also decided to work out possible modality for development of the project in public private partnership model or any other suitable model within three months.

The Norwegian company had announced its official exit on January 13.

“The company has invested US\$ 1.08 million for feasibility study, technical updates and Environment Impact Assessment of the project. It has handed over all the documents to the government,” Sandip Shah, Statkraft's country director, said.

Likewise, the meeting also has decided to seek reasons from IBN and Ministry of Energy behind delay in signing joint investment agreement between

Nepal Electricity Authority (NEA) and China Three Gorges to develop West Seti Project.

NEA's dilly-dallying over signing the agreement has affected work of the mega project.

Likewise, the board has asked IBN to work on a project for developing and operating mono rail in Kathmandu Valley. IBN has been asked to submit a proposal for the project in the next cabinet meeting.

The meeting also directed Ministry of Energy to decide and table the proposal for share allotment of Upper Karnali Hydropower Project to the local and affected communities at the earliest.

Source: The Rising Nepal; 26 Jan 2016

## **Construction works of Upper Madi Hydro resume**

The construction works of Upper Madi Hydropower Project of 25 megawatt capacity based at Sildajure in Kaski district have started, ending the four-month-long halt in the project.

The works in the project were stalled since September 2015 due to crisis of fuel and other essential materials following India's unofficial blockade and agitation in Tarai region.

Project coordinator Ramraj Koirala said that the construction works have been started after the supply of fuel as well as the imports of equipments from the border points in an easy and accessible manner. Currently, the project is getting 1,500 litres fuel everyday from the Nepal Oil Corporation (NOC) Depot located at Gagangaunda in Lekhnath Municipality based on the recommendation of the District Administration Office, Kaski.

Likewise, the project is provided with the needed volume of cement to help expedite its development works.

Koirala added that so far 85 per cent of the entire works were completed including construction of the 4,200 metres long tunnel.

The project is expected to generate electricity by the end of this fiscal year if things go ahead as planned, the project said.

China's renowned company 'Three Gorges Corporation' owns 80 per cent share while Project's Executive Chairman Bijay Malla has 20 per cent share in the project.

Source: Karobar; 26 Jan 2016

## **Upper Karnali affected locals to get shares of Rs 1.6b**

BABURAM KHADKA

Locals to be affected by the Upper Karnali Hydropower Project are set to get 16 million units of shares worth Rs 1.60 billion. The Energy Ministry is taking a proposal to that regard to the cabinet as per the recommendation by the Investment Board Nepal (IBN), according to Energy Secretary Suman Prasad Sharma.

Prime Minister (PM) KP Sharma Oli during the IBN meeting has directed to take proposal for share allocation to the cabinet soon. The proposal looks set to be passed easily with PM Oli seemingly positive. Locals have been demanding at least 10 percent shares. Under Secretary at the IBN Khagendra Rijal said the shares will be provided to the locals from the 27 percent of free equity that promoter GMR Upper Karnali Hydropower Limited has offered to give to the government.

He revealed that the quantity of shares for locals have been determined on the basis of shares the locals to be affected by Arun III Project will get. SJVN of India has already signed agreement to provide shares worth Rs 1.60 billion to the locals to be affected by Arun III Project. "But we demand that promoter GMR should also provide some percentage of shares," he added.

GMR was awarded the Upper Karnali Project in 2008 after it offered 12 percent of free energy (108 MW) and 27 percent of free equity during the international bidding process. GMR is currently carrying out pre-construction works. The project development agreement (PDA) signed between GMR and the IBN last year states that GMR must make financial arrangements for the project by September, 2016. The 900 MW project is expected to cost Rs 116 billion. The project will affect locals of Surkhet, Dailekh and Achham districts.

PM Oli has also directed the ministry and IBN to furnish reasons about the delay in formation of the joint company between promoter China Three Gorges Corporation and the Nepal Electricity Authority (NEA) for the proposed 750 MW West Seti Hydropower Project. The joint project development agreement has not been signed and the special purpose vehicle (SPV) not formed due to lack of cooperation by the NEA.

The IBN meeting on Sunday also has approved pull out of Statkraft Holdings of Singapore from Tamakoshi III. The IBN has been instructed to decide on the investment and construction models for the 600 MW reservoir based project in three months. The IBN has also decided to take a proposal to the cabinet for formation of a high level study committee to sim

Source: Karobar; 26 Jan 2016

## **Tariff for dedicated feeder up to Rs 20 per unit**

The Electricity Tariff Fixation Commission (ETFC) has set tariff for dedicated feeder at Rs 12.50-20.40 per unit. ETFC Chairman Jagat Kumar Bhusal said the tariff has been set as per the demand of Nepal Electricity Authority (NEA).

“The NEA is now free to charge double tariff for providing dedicate feeder. But double tariff cannot be charged from Bir Hospital Tribhuvan University Teaching Hospital, Pashupatinath Temple, public-owned water supply, crematorium at Pashuaptinath Temple and others providing essential services,” he added. He stated that the burden of load-shedding on commoners will rise while providing electricity through dedicated feeders.

He claimed that annual income of the NEA will rise by Rs 1 billion after implementation of the new tariff. The NEA has been supplying 83 MW to industrial firms, government offices and hospitals through dedicated feeders, according to him. There is no load-shedding inside the Singha Durbar and the offices of the prime minister, president, vice-president and ministers.

The NEA board meeting on June 25 had decided to charge double tariff from dedicated feeders. The NEA has been providing electricity through dedicated feeders by charging double tariff since 2012. The ETFC earlier had directed the NEA to stop after the latter had set double tariff itself and started to collect that. The Public Accounts Committee (PAC) of the parliament had also instructed the ETFC to set tariff for dedicated feeders.

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Source: The Kathmandu Post; 27 Jan 2016

## **CIAA directs NEA to update power cut schedule**

The Commission for the Investigation of Abuse of Authority (CIAA) has directed Nepal Electricity Authority (NEA) to update power cut schedule.

The anti-graft body summoned the CIAA officials and issued such directive saying that there have been increasing complaints from the general public of irregular power outage.

“The supply ceases 20 minutes before the scheduled time and resumes 20 minutes later that has put the consumers of sensitive area in trouble,” said a CIAA source. “The NEA has been directed to update the load shedding schedule accordingly because emergency services such as operation theatres in hospital and Fire-brigades operate based on the schedule which is likely to put them in trouble.”

At the discussion, Energy Secretariat, NEA Directive General and heads of different departments admitted ‘strategic increment in the load shedding hours’ to meet the demands. The officials told the CIAA that they compelled to increase power-cut without declaring in order to manage the supply and demand.

Source: The Himalayan Times; 27 Jan 2016

## **Nepal-India energy secretaries to meet today**

High-ranking officials of Nepal and India will meet tomorrow in Kathmandu to discuss implementation of power trade agreement that the two countries signed in 2014.

On Thursday, Joint Working Group (JWG), led by Sanjay Sharma and Jyoti Arora, joint secretaries of Nepal's Ministry of Energy (MoE) and India's Ministry of Power (MoP), respectively, is scheduled to meet and discuss matters related to cross-border electricity transmission, grid connectivity and power trade between Nepal and India.

However, Arora had not confirmed her participation till late today evening, as per a reliable MoE source. "If she fails to attend the meeting, other officials from Nepal and India will head the meeting."

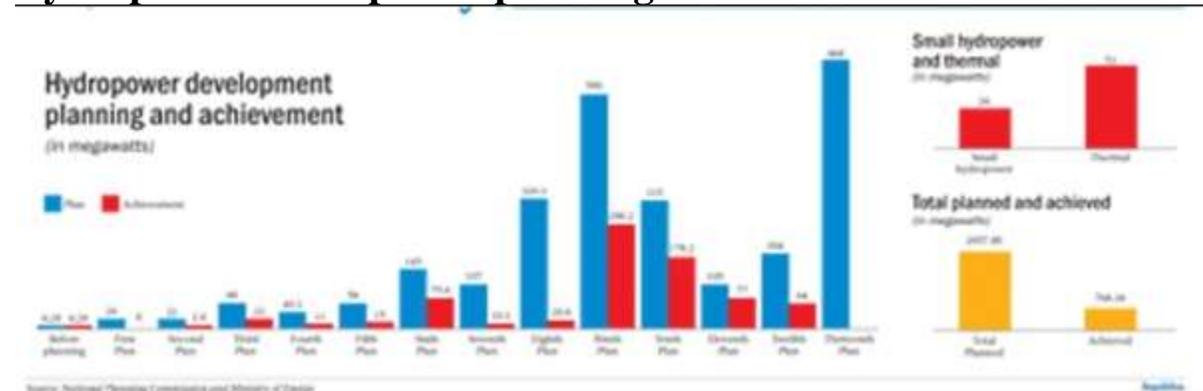
On Friday, the Joint Steering Committee, headed by MoE Secretary Suman Prasad Sharma and MoP Secretary Pradeep Kumar Pujari, will meet to deliberate on the outcome of the JWG meeting.

This is the second time these joint mechanisms are holding a meeting since their formation in October 2014, when the historic Nepal-India Agreement on Electric Power Trade, Cross-Border Transmission, Interconnection and Grid Connectivity was signed.

Meetings of these joint mechanisms were previously held in New Delhi in November 2014.

Source: My Republica; 28 Jan 2016

## Hydropower development planning and achievement



Source: National Planning Commission and Ministry of Energy

Source: The Himalayan Times; 28 Jan 2016

## **Nepal likely to import 220MW of electricity**

Nepal Electricity Authority (NEA), the state-owned power utility, may soon import up to 220 megawatts of additional electricity from India, which is likely to drastically reduce load-shedding hours in the country.

NEA has already laid the groundwork to import 80MW to 90MW of electricity using 400kV double-circuit Dhalkebar-Muzaffarpur transmission line, the biggest Nepal-India transmission line project which is about to be completed soon.

“So far, works related to setting up of transmission towers have been completed. The only task left to be done is installation of cable on three to four kilometres of stretch. We hope to complete this work within the first week of February,” a senior NEA official said.

Once this is done, tests will be conducted. “If things go according to plan, we will start importing 80MW to 90MW of electricity beginning mid-February,” the official added.

To import this power, 100 mega-volt amperes (MVA) of transformer has been installed on the Indian side and necessary arrangements have also been made in Nepal.

The 140-km transmission line, which extends from Dhalkebar in Nepal to Muzaffarpur in India, can transport up to 2,000MW of electricity when lines are charged at full capacity of 400kV. This will help the country to bridge the power deficit, especially in eastern region, and sell power when there is a surplus.

But initially the cable will not be charged at full capacity.

“For a certain period, transmission (from India) will take place at 132kV. Also, only one of the two circuits will initially be used to import electricity,” the official said, adding, “Very soon, we are planning to use another circuit as well to import additional electricity.”

Once another circuit is used, NEA can import 120MW to 130MW of additional electricity from India.

“For this, we have requested the Indian supplier to install transformer of 160MVA on the Indian side,” the NEA official said. “We hope they will take our request positively.”

This issue will be raised during a high-level meeting between Nepal and India, which is scheduled to take place in the Capital on Thursday and Friday.

Nepal is currently importing around 250MW of electricity from India. To get this supply, around 13 cross-border transmission lines — three of 132kV and the remaining of 33kV — are being used.

Nepal and India began building Dhalkebar-Muzaffarpur project after the need for a higher voltage cross-border transmission line was felt.

Although the process of building Dhalkebar-Muzaffarpur transmission line began as early as January 2007, works could not proceed ahead smoothly due to a range of problems, including bureaucratic red tape.

The works related to construction of the transmission line in Nepali side are being overseen by Power Transmission Company Nepal, which is a joint venture between NEA, Hydroelectric Investment and Development Company of India, Power Grid Corporation of India and Indian firm IL&FS.

Works in Indian side, on the other hand, are being implemented by Cross-border Power Transmission Company, a joint venture in which NEA has 10 per cent stake.

Source: The Himalayan Times; 29 Jan 2016

## **KOSEP CEO meets energy minister**

With an aim to monitor the overall progress made on the Upper Trishuli-1 (UT-1) hydroelectric project and accelerate the project development agreement with the government of Nepal, Heo Yup, CEO of Korea South-East Power Co Ltd (KOSEP) held a meeting with Energy Minister Top Bahadur Rayamajhi today. Earlier on January 26, he had also visited the project site in Rasuwa district.

The UT-1 project is located in Rasuwa district with an installed capacity of 216MW. It is being developed by KOSEP, Daelim Industrial Co (Daelim) and Kyeryong Construction Industrial Co (Kyeryong), local sponsor, and IFC through Nepal Water and Energy Development Company (NWEDC).

KOSEP is the lead sponsor in the consortium and also the operations and maintenance contractor.

As part of its corporate social responsibility (CSR), NWEDC is implementing a series of need-based social activities not only in project affected areas but also in Kathmandu Valley, as per a statement issued today.

In the aftermath of the devastating earthquake of April 25 and continued aftershocks, NWEDC rescued 67 injured locals from the project area by chopper, and provided immediate relief materials including food, tarpaulin sheets, blankets and utensils worth \$68,000. KOSEP had also handed over \$50,000 as support for relief and rehabilitation of quake victims to the Nepali ambassador in Seoul on May 21.

Moreover, to provide short-term relief to the quake victims of Rasuwa district, the company has already distributed 37.7 tonnes of rice to 861 households living in temporary shelters, 1,452 litres of cooking oil to internally displaced persons and supported in construction of 265 temporary shelters by distributing 1,555.73 tonnes of CGI sheets. Also, construction of two schools and a health post in the project area is under process of bidding.

NWEDC has been providing volunteer services to Dail community, who are living on the banks of Manohara River in Kathmandu Valley, since 2014. KOSEP CEO visited Dail Community today, interacted with the children, and distributed cash amount of Rs 500,000 to the community, the statement adds.