Source: The Kathmandu Post; 6 Nov 2016

Land acquisition to begin from mid-Nov

Budhi Gandaki Hydropower Project

BIBEK SUBEDI

Land acquisition for 1,200MW Budhi Gandaki Hydropower Project is set to begin from mid-November as the compensation determination committee has completed categorisation of land parcels to be acquired.

The Budhi Gandaki Hydroelectric Project Development Committee is in a hurry to acquire private land amid constant pressure from Energy Minister Janardan Sharma to expedite the project's development.

In September, Sharma summoned the project development committee's officials and directed them to be prepared to distribute compensation to households to be displaced by the project within three months.

The compensation determination committee has categorised land into five categories—paddy field, small farm land, land of market area, land that has road access and land near human settlement—according to Laxmi Prasad Devkota, chairman of the project development committee.

Paddy field and small farm land are further graded—one to four—with the compensation for the first grade being the highest.

The compensation determination committee, however, is yet to fix land prices. "Within a week, we will hold a meeting of stakeholders, including representatives of land owners, and fix the price," said Devkota. "By mid-November, at least one landowner will get first instalment of the compensation."

With the help from Survey Offices and Land Revenue Offices of Gorkha and Dhading districts, the project's officials recently completed verification and classification of majority of land parcels to be acquired. Verification and classification of remaining land parcels completed within a week.

According to Devekota, officials from the project and Survey Offices and Land Revenue Offices are still on the field.

Around 58,000 ropanies of land which will be inundated by the hydroelectric project sprawls across 27 VDCs of both the districts.

Acquisition of all the private land plots, however, might take some time as the budget allocated by the government doesn't match the cost required for the purpose. The Finance Ministry has allocated Rs5.33 billion for the current fiscal year for the development of the project. But the project development committee has estimated the land acquisition and resettlement alone will cost Rs58 billion.

However, Devkota said funds shortage will not be an issue while acquiring land. "Since the Finance Ministry has clearly said it will allocate additional budget if required, I don't think we face any resource crunch," he said. "Also, by this date, Rs2.5 billion has been collected as infrastructure tax on petroleum products for financing the project."

Then Finance Minister Bishnu Prasad Paudel, presenting the annual budget, had announced to impose Rs5 per litre infrastructure tax on petroleum products to fund the Budhi Gandaki project.

More than 8,000 households will be affected by the project, according to the latest report by the project development committee.

The report states the reservoir of the storage project will completely submerge 3,560 households and they need to be resettled to alternative locations with proper compensation.

Source: The Kathmandu Post; 6 Nov 2016

Upper Marshyangdi 'A' resumes generation

AASH GURUNG

Upper Marshyangdi 'A' Hydropower Project has resumed power generation after remaining shut for a month for maintenance.

The project, which had started commercial operation from September-end, had to halt electricity generation following leakage of water in the tunnel.

Energy Minister Janardan Sharma had announced the commencement of commercial operation at a special programme organised in Kathmandu, while Lawmaker Bhisma Nath Adhikari had inaugurated the plant amid a ceremony at the project site in Bhulbhule, Lamjung.

However, the generation did not last even a week after technical difficulties surfaced.

Nepal Electricity Authority (NEA), which buys the electricity generated by the project, had directed the project to complete the maintenance and start power supply to the grid by mid-October.

However, the maintenance work completed only on Thursday and the project went online on Friday, according to a project official. "25MW electricity has been connected to the national transmission grid," said Karna Adhikari, the project's public relations officer.

A joint-venture of China's Sino Hydro and Sagarmatha Power Company, the run-of-the-river project was started in 2012. Sino Hydro holds a 90 percent stake in the project, while Sagarmatha Power Company owns the rest.

Upper Marshyangdi 'A' is the first hydropower project built with foreign direct investment. According to project officials, the total cost of the project stands at Rs16 billion. The construction of the project was largely affected by last year's earthquakes and border blockade.

The 50MW project has two turbines, each generating 25MW of electricity. The powerhouse is located at Bhulbhule-3 and a 6.5-km-long tunnel has been constructed to deliver water to the powerhouse from the dam site located at Bhulbhule-5.

NEA is yet to construct transmission line to evacuate all the electricity generated by the project. After the NEA failed to build the power line, the project itself erected a single circuit transmission line to evacuate power. However, it lacks the capacity to transmit all the power generated by the plant.

Due to the absence transmission line, only 25MW of the power generated can be fed into the national grid. The project has been complaining about NEA's tardiness in building transmission line.

"Due to the NEA's incompetence, only half of the total power generated is connected to the national grid," said the project official.

Electricity produced by the second turbine will be added to the national grid after three months, according to the project. When the plant goes into full production, it will generate 317 million units of electricity annually.

Source: The Kathmandu Post; 8 Nov 2016

PM announces Upper Tamakoshi shares to under privileged, martyrs and disappeared families

Prime Minister Pushpa Kamal Dahal has said that the government is working to transfer Rs11 billion, loaned to Upper Tamakoshi Hydro Power Project, as shares to under privileged and families of martyrs and disappeared during the conflict.

The Prime Minister, during a surprise visit site at the hydro power construction site on Tuesday, said that the loan provided by the government to the hydro power will be distributed as shares.

PM Dahal also urged the project technicians and Nepal Electricity Authority Managing Director to complete the 456 megawatt Upper Tamakoshi Hydro Power Project, being constructed under domestic investment, six months prior to the deadline.

Although, 82 percent of the construction work has been completed, the hydro power project got delayed by one and a half year due to the last year's earthquake.

Source: My Republica; 8 Nov 2016

Additional supply, low demand give respite from power cuts

The Kathmandu Valley and major cities across the country have got a respite from power cuts since Dashain, thanks to closure of many industries due to festive season coupled with supply of additional 100 MW in the grid. Compared to the same time last year, the Nepal Electricity Authority (NEA) has been supplying an additional 100 MW. The demand, however, is low compared to the same time last year when people had switched to electric cookers due to scarcity of liquefied petroleum gas (LPG) because of Indian blockade.

NEA has been importing 80 MW from India via Dhalkebar-Muzaffarpur Transmission since February. The supply has reduced to 75 MW in recent days. Similarly, 25 MW has been added to the grid after the first unit of Upper Marshyangdi-A started generation from September.

“Demand for electricity is still low. We are in a position to manage continuous supply, thanks to the addition of 100 MW," Bishnu Prasad Shrestha, chief of NEA's Load Dispatch Center, said.

Current peak hour demand is 1350 MW, while the off-peak hour demand is around 700 MW. The center saw maximum demand of 1444 MW on the evening Laxmi Pooja. This is the maximum demand seen so far this year, according to Shrestha.

The new management of NEA, led by Managing Director Kul Man Ghising, mobilized its staffers to monitor load of energy demand across the Kathmandu Valley during Laxmi Pooja and properly managed supply on the day. The arrangement surprised many as people were used to multiple power cuts on the evening of Laxmi Pooja.

Peak demand in the Kathmandu Valley at present is around 310 MW. Similarly, daytime demand ranges between 200 and 210 MW, while the demand at the midnight is around 150 MW, according to NEA.

With plan to import additional energy from India on track, Shrestha said they have planned to eliminate power cuts in the Kathmandu Valley and surrounding towns. But customers will have to wait for few days to know the real picture as industries in the Tarai belt will reopen after Chhath festivals within a day or two.

“We can import additional electricity from India via Kataiya-Kushaha, Tanakupr and Parwanipur-Raxaul routes," added Shrestha.

The country is importing around 220 MW from India from different transmission lines.
Similarly, the construction of a substation at Dhalkebar is going on at full swing. Upon completion, it will enable NEA to make optimum use of the Dhalkebar-Muzaffarpur Transmission Line. Minister for Energy Janardan Sharma himself is monitoring the construction works. The Chinese contractor of the project has mobilized workers in two shifts to complete the project in time.

Completion of this substation will enable the NEA to import needful energy from India to meet the demand. NEA officials say that the substation will be ready within three months.

However, NEA needs to sign agreements with concerned suppliers to import additional electricity.

Source: My Republica; 8 Nov 2016

Energy Minister assures to lessen load-shedding

Minister for Energy Janardan Sharma has said that his Ministry's first priority was ending the load-shedding in the country.

Speaking in a program here in the district today, Minister Sharma said that he was working out for the same.

After visiting the Rapti Shanti Udyan (Peace garden) in the district, he pledged to take the initiatives for extending the power supply to the garden.

On the occasion, the garden preservation committee chair Top Bahadur KC submitted a memorandum urging the Energy Minister to manage the power supply and transformer at the garden. RSS

Source: The Rising Nepal; 8 Nov 2016

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Source: The Rising Nepal; 8 Nov 2016

Government gives production permission to 19 hydel projects

The government has issued permission for production to different 19 hydroelectricity projects in the last seven months this year.

The Electricity Development Department under the Ministry of Energy provided the permission to these projects with the combined production capacity of 848 Megawatts power, urging them to start the construction process promptly.

The projects which have been issued with the permission include the 75-Megawatts Trishuli Galchhi Project with its project site in Dhading, the 127-Megawatts Tanahun Seti Hydroelectricity Project, the 400-Megawatts Kaligandaki Kowang Project in Mustang, the five-Megawatts Chaurikhola Project based in Ramechhap district, the 110- Megawatts Daraundi Project based in Gorkha and the 78-Megawatts Sanjen Khola Project based in Rasuwa.

Similarly, production permission has been issued to the Palakhukhola project (5 Megawatts), the the Upper Palakhukhola project (14 Megawatts), the Upper Balefi project (36 Megawatts), the Lipingkhola project (16 Megawatts), the Lower Khorang project (5 Megawatts), the Bijayapurkhola project (4 Megawatts), the Upper Khorungakhola project (7 Megawatts) and the Upper Solukhola project (18 Megawatts).

Production permission has also been provided to the Makarigad project (10 Megawatts), the Yambalingkhola project (7 Megawatts), the Sano Miltikhola (3 Megawatts) and the Madi Bhorletar project (10 Megawatts).

The Department stated that it has so far provided production permission to a total119 projects with a combined capacity of 3,315 Megawatts.

Source: The Kathmandu Post; 8 Nov 2016

NEA working on plan to end load shedding

The Nepal Electricity Authority (NEA) has been working on an ambitious plan to eliminate load shedding in the Kathmandu Valley, a great challenge during the dry season when the water level in the rivers drop resulting in reduced power generation.

The NEA's move followed Prime Minister Pushpa Kamal Dahal's instruction to free the Valley of the dreaded rolling blackouts.

The prime minister on Monday summoned NEA Managing Director Kulman Ghising and asked him to submit a detailed plan to end load shedding. Dahal told Ghising that he was committed to freeing the Valley from power cuts, and that the government would support the authority in whatever way possible, the prime minister's private secretariat said. Ghising briefed the prime minister on the ongoing trial phase of the scheme to end load shedding, and promised to submit an action plan soon.

"Prime Minister Dahal directed us to make arrangements to ensure that there would never be load shedding in the Valley again. He also assured us that the government would take any action suggested by the authority to make that possible," said Ghising.

Buoyed by the achievement of providing uninterrupted power supply in the Valley during the Tihar festival, Ghising claimed that the Capital would not face load shedding again. According to him, the Valley's peak power demand which lasts for three and a half hours in the evening is 270 MW.

"During Tihar, we were able to meet peaking demand of 315 MW," said Ghising. "We made extra efforts and the Valley didn't witness load shedding during the festive season. So we are confident that we will be able to fulfil the peak demand of 270 MW."

The Valley's energy requirement during off-peak hours is around 190 MW, and it will not be that challenging to fulfil it, the NEA said. Ghising admitted that it would be quite a challenge to eliminate power cuts during peak hours. "We will have a huge task during this winter, but after that we will be in a comfortable position," he said. The NEA has formed a high-level expert committee under the leadership of Rajeev Sharma, deputy managing director of the NEA, to study the possibility of providing uninterrupted electricity supply to the Valley.

According to Sharma, they will look for ways to optimize the Valley's substations and distribution network which will help to end power cuts permanently.

"We will definitely have to bring additional power to the Valley to stop power cuts," said Sharma. "Our study will check if our distribution system will be able to handle it." Committee member Prabal Adhikari, who is the chief of the power trading department at the NEA, said that power cuts could be reduced significantly if the existing resources were put to optimum use. "Some of our substations are overloaded while others are underloaded," said Adhikari. "Equitable distribution of the load can reduce power cuts significantly. Likewise, upgradation of the existing distribution system, including addition of new transformers, will also contribute to slashing power cuts," he added.

Apart from managing the supply, the committee will also explore the possibility of generating additional power within the Valley. According to Adhikari, the NEA has received 15 proposals from private companies to generate electricity from various sources like solar and thermal plants.

Source: My Republica; 8 Nov 2016

Valley likely to suffer power cuts from December

Laxman Biyogi

The power outage is likely to continue as there is less supply of electricity than demand despite some improvement in its infrastructures. The festivals like Dashain, Tihar and Chhat witnessed no load shedding due to closure of industries, sufficient import of electricity from India and around 30 MW internal generation of electricity.

Currently, Nepal is importing 300 MW electricity from India while 25 MW has been added to the grid after the upper Marshyangdi A started generation since September.

Similarly, 300 MW electricity required for industrial sector has been stopped due to closure of industries. The NEA has been able to manage between demand and supply after it replaced old transformers with the new ones.

The NEA had imported about 200MW of electricity from India, around this time last year. The 300MW of electricity has been imported this year. Since the import of LPG gas was halted last year by India, there was an increase in the electricity consumption— its demand hitting around 1800MW.

Reconstruction works for the earthquake-damaged structures remained incomplete which lead to power cut during certain intervals, told the former Director of Load Dispatch Center, Bhuwan Kumar Chhetri. “Last year, Dhalkebar-Muzaffarpur transmission line was incomplete. The 80MW was imported on February 19, 2016,” he said, adding, “This year there is a regular supply of electricity.”

With the additional supply of 100MW electricity to the grid this year, the NEA has been able to manage between supply and demand, argues Chhetri.

“It is early to say anything whether load shedding hours will come down this year,” he said. “Its effect can be seen only after November.” According to Chhetri, this year the electricity demand is low compared to that of last year’s.

Although the NEA was appreciated for not cutting off power supplies during festivals like Dashain, Tihar, and Chhath, the Kathmandu Valley is likely to suffer from power cuts after December 2016.

Source: My Republica; 9 Nov 2016

Kulekhani water level lowest in three years

Power generation to fall by 13.5 million units: NEA officials

KATHMANDU, Nov 9: Water level in the Kulekhani Reservoir, which feeds two hydropower plants, has reached only 1522.55 meters this year -- the lowest point in three years.

This means that only lifeline for stabilizing power supply can generate less electricity this year compared to last year.

Santosh Kumar Jha, chief of Kulekhani II Hydropower Project, said that the lower water level means power generation of both the plants will fall by approximately 13.5 million units less.

Despite good rainfall in most parts of the country, water level in the reservoir could not reach the 1528-meter mark, the maximum capacity, as the catchment area of the reservoir received low rainfall.

Water level in the reservoir had reached 1525 meters last year, generating 107 million units of electricity in the last fiscal year. The water level had reached 1530.12 meters in 2014 when Nepal Electricity Authority (NEA) put up sacks filled with sand on the rim of the dam to store more water. That year, the two Kulekhani projects had generated 134 million units. The sacks have been removed after the earthquakes of 2015.

Kulekhani I has installed capacity of 60 MW, while its downstream project, Kulekhani II, generates 32 MW. Power generation by both the projects has seen a decline over the past two years.

NEA operates the plants particularly for managing power supply in the peak hours. The plan was operated in full capacity on the day of Laxmi Pooja (October 30) when demand rose to 1444 MW.

“Since then, both the plants are being operated as per the direction of the Load Dispatch Center, Syuchatar, depending on the demand size," said Jha.

Only one unit of the Kulekhani projects, which is half of the total capacity, is operated for about two hours in the evening when energy demand hits peak, according to Jha.

NEA officials say that the lower water level in Kulekhani Reservoir directly affects the plan to manage power supply in peak hours. Bishnu Kumar Shrestha, chief of NEA's Load Dispatch Center, said: "Reduction in water level means that the generation of Kulekhani projects will fall by around 13.5 million units. But it won't make much impact as we are looking to import additional energy from India,” Shrestha added.

NEA plans to import an additional 150 MW from India on top of about 330 MW being imported at present.

Kul Man Ghising, managing director of NEA, has announced an ambitious plan of eliminating power cuts from the Kathmandu Valley in the first phase. The success of the plan also depends on whether NEA manages to bring additional energy from the southern neighbor. Crucial to the plan is the Dhalkebar substation which is being constructed on a war footing.

Source: My Republica; 9 Nov 2016

NEA yet to give Upper Marsyangdi A operation date

The 50 MW Upper Marsyangdi A Hydro-power Project at Bulbhule of Lamjung has been waiting for the Nepal Electricity Authority to set a date for it to begin commercial operation. The project had supplied 25 MW power to the national transmission line on September 26. According to sources, the NEA has been delaying the project's commercial operation, saying the project had yet to undergo electro-mechanical and hydro-mechanical tests.

The project had agreed to supply power free of cost to the NEA for a week.

As per Subarna Sapkota, assistant manager of the project, though the project has the capacity to generate 50 MW electricity, it will generate only 25 MW for three months as the NEA has not increased capacity of the transmission line.

The project was constructed by a Chinese and Nepali joint venture company Sinohydro-Sagarmatha Power Company. Sinohydro is the sister company of China's state-owned PowerChina Resources Limited and Sagarmatha is the sister company of Chitwan Co-E.

These companies have 90 per cent and 10 per cent stake in the project respectively. The project was built at the cost of Rs 16 billion.

Source: My Republica; 11 Nov 2016

Demand-side management works wonders to reduce power cuts

Rudra Pangeni

It has already been four days since the Nepal Electricity Authority (NEA) started supplying electricity throughout the country round the clock even after industries resumed operation after the festive holidays. This indicates that the trial launched by NEA to eradicate load-shedding in the Kathmandu Valley is heading toward success. The power utility has claimed that power cut outside the Valley was below two hours. That too in only few places due to technical problems, NEA officials say.

“We have launched a trail as part of our plan to end load-shedding in Kathmandu Valley. Initial success of the trail has lifted our confidence," Minister for Energy Janardan Sharma said at a press conference on Thursday.

But Kathmandu denizens, who are used to long power cuts, are finding it hard to believe.

"We have done nothing new,” Kulman Ghising, managing director of NEA, said. “We only observed the energy demand pattern of consumers and managed the demand accordingly,” Ghising said, adding that the demand fluctuates almost every hour and in each distribution zone. “We are efficiently managing energy available from different sources,” Ghising, who was promoted to the post in mid-September, said.

Ghising holds an MSc in Engineering on Power System. The topic of his dissertation was ''Demand-Side Management'.

Energy supply from run-off river plants cannot be stored even for a minute, while peaking plants can save for few hours. Kulekhani I and II are the only reservoir projects in the country. They can be run anytime of the year.

Nepal is currently importing over 300 MW from India.

“My focus is on supplying energy for at least 22 hours of the day. If we become successful, it will give a huge respite to people,” added Ghising.

Power demand in the Kathmandu Valley ranges between 100 MW in the midnight to 300 MW in the evening. The national demand is around 1300 MW.

Using power plants, except Kulekhani I and II, to their full capacity, prompt response to any fault in transmission and distribution, and strengthening transmission and distribution are the areas where we are laying focus, Ghising said. He denied allegations that
Kulekhani projects are being used full capacity to reduce power cuts.

According to NEA, around 30 MW has been saves as consumers do not have to charge their inverters anymore. Similarly, NEA has prohibited industries from operating between 4.30 pm and 8:30 pm for managing peak hour demand.

Meanwhile, a taskforce has been formed to reduce NEA's system loss. It has been given a target of reducing system loss by 3.5 percentage points from 25.78 percent.

Similarly, NEA is holding discussion on multiple options to stop power cuts for four months starting December

“We will disclose the plan later,” Minister Sharma said.

Ghising also said that the NEA plans to launch energy efficiency awareness programs, appealing people to switch to LED lights from CFL and traditional bulbs.

LED lights are four time more efficient than CFL bulbs.

Ghising has also appealed to the people not to use iron, water pump and energy intensive appliances during peak hour.

“As far as I know, this is the first time that the managing director of NEA is regularly visiting Load Dispatch Center and monitoring consumer behavior," Amrit Man Nakarmi of Center for Energy Studies, Institute of Engineering, said.

“The past managements of NEA were doing easy job of publishing load-shedding schedules. They never thought about the demand-side management,” he added

The plan to reduce load-shedding, however, is largely dependent on energy imported from India.

Source: The Kathmandu Post; 11 Nov 2016

WB-ADB mission to discuss $1b loan to energy sector

- PRITHVI MAN SHRESTHA

A joint mission of the World Bank (WB) and the Asian Development Bank (ADB) is expected to hold talks with Nepali officials next week for a planned $1-billion loan (equivalent to Rs106.6 billion) to the energy sector.

The two multilateral donors had expressed interest to lend $500 million each in response to Nepal's request for funding to implement a 10-year Energy Emergency Plan unveiled last February.

The WB has proposed to invest in Nepal's energy generation sector for the first time since the Arun III fiasco in 1994. The loan could also be the largest funding by the ADB through a single window, although it has an accumulated portfolio of around $1 billion in the energy sector.

The two banks have planned to provide financing under Development Policy Credit in Energy (DPCE) under which Nepal will not have to pay any interest. The credit is provided based on the country's progress in policy reform.

According to a WB source, the mission is scheduled to arrive in Nepal on Saturday and hold talks on Monday. An ADB source said that they had sent a clearance request to the government to hold talks from November 14-18 and were awaiting its reply.

Finance Secretary Shanta Raj Subedi confirmed that the joint mission was coming without elaborating.

According to the WB source, the main objective of the mission is to fine-tune prior actions that the government needs to perform to receive the loan, agree on a timeline and scope of the prior action and review the status of past studies in the sector. During the previous meeting held in June, the donors had particularly insisted on an early introduction of the new Electricity Act and Energy Security Policy and restructuring of the Nepal Electricity Authority (NEA) as major conditions for extending the loan.

"The joint mission is coming here to discuss how the new leadership at the Energy Ministry and the NEA are thinking about implementing the reform commitments made by the previous leadership," said a senior ADB official. The ministry has a new minister and secretary and the NEA has a new managing director.

The ADB source said that the bank was ready to extend the loan as it had already planned to provide another $150 million to the energy sector under DPCE.

"We can provide an additional $350 million based on the progress in reform initiatives, for example, tariff system reform, implementation of energy loss reduction plans and establishment of a regulatory commission," the official said.

The government had sought up to $2 billion from the two donors after announcing that a number of reform initiatives would be implemented under the Energy Emergency Plan.

These reforms include unbundling the NEA, signing power purchase agreements in US dollar terms for 10 years, reducing procedural delays and conducting legal reforms by issuing a new Electricity Act and Act
on National Electricity Regulatory Body.

Some progress has been made in unbundling the NEA with the registration of National Transmission Grid Company, but nothing has been done with regard to a new Electricity Act and other reform commitments.