

Source: The Rising Nepal; 15 Oct 2017

Pancheswar EMP in final stage

The development of the detailed environment management plan or EMP of the Pancheswar Multi-purpose hydropower project has reached the final stage.

Environment experts are now giving final shape to the plan by making an onsite visit to the areas affected by the Mahakali river, where the project will be based and by talking to the local residents.

A team of environmentalists, agronomists and sociologists led by the Shah Consultant International Private Limited is working on the EMP. Earlier, the study team had finalized the report of the study of the dam site based on the environmental impact assessment endorsed by the Government of Nepal. "The EMP is now being finalized following a long study by the expert team," environmental expert at the consultancy Ajaya Bhakta Mathema said.

The preliminary report from the team says that the second highest dam of the world to be built at Pancheswar of Baitedi is likely to have a big and extensive environmental and social impact, with around 994 hectares of land likely to be inundated and some 2,926 households displaced. "The project development and operation will likely bring a huge shake up in the social and environmental sector," social expert at the company Shiva Dhakal said.

The dam will however come with various benefits, including employment for thousands of people during the dam construction phase and long-term employment for the local people. Building of reservoir will also help increase agro production including fishery as well as tourism. It will ease people's livelihood and contribute to poverty alleviation, agro expert Gopi Krishna Sedain said.

The EMP will also come up with sub-plans in order to address the likely impact mentioned in the plan including on water collection, pollution control, forest and soil conservation, wildlife protection, herbs management, agriculture support and tourism development.

The EMP will be implemented by the Pancheswar Development Authority and its units, consultants, contractors and the expert team.

Source: My Republica; 16 Oct 2017

NEA's bid to complete remaining works of Dhalkebar sub-station

Bishnu Belbashe

Nepal Electricity Authority (NEA) is preparing to award the contract of remaining works of Dhalkebar sub-station among few selected contractors, officials privy to the development said.

The state-owned power utility had terminated the contract with the Chinese contractor, Central China Power Grid (CCPG), last month over the latter's non performance.

The NEA is speeding up the remaining 10 percent works of the sub-station, which is an urgent task for the power utility to bring in more power from India to meet the energy demand in the winter.

"We are preparing to announce bid for the project among few contractors. We will select one of them to complete the tasks," the source told Republica: "We will seek applications from at least three companies."

The NEA and India's Power Grid Corporation have already started to calculate the estimated cost of the remaining works and chart out the list of works that the new contractor will have to do.

"The competition among few contractors may make it marginally expensive but the target is to go for a fast track of awarding the contract. We aim to complete the works within the next four months," added the source.

The Chinese contractor has already completed 90 percent works of the sub-station of 220 KVA. This is the third contract termination with the same Chinese contractor within a period of less than three months. The NEA had terminated two other contracts of building sub-stations in Inaruwa and Hetauda after the contractor repeatedly showed reluctance to expedite works. Both sub-stations are of 132 KVA capacity.

NEA officials had said that the executives of the contractor were unhappy with the NEA after its performance guarantee of about Rs 300 million against both the Inaruwa and Hetauda projects were seized. The contractor showed reluctance to improve performance in Hetauda despite repeated requests from the NEA.

The completion of the sub-station allows import of more electricity from India. Currently electricity is imported by setting up temporary transformers at Mujaffarpur of India.

The deadline for completing the project for CCPG was October-end. With the delay in the completion of the works of the sub-station, NEA officials are worried whether they can meet the rising demand of electricity in the peak months of winter. The NEA had imported 140 MW electricity via Dhalkebar-Mujaffarpur cross-border transmission line, out of total import of 385 MW from India last year.

The contract termination is one of the series of mishaps the NEA management has faced in its efforts of eliminating load-shedding completely this year. Earlier, the NEA's plan of supplying more energy was affected after its effort of purchasing energy-efficient cheap led bulbs from India to save power drew a lot of controversy, compelling the power authority to put the plan on hold.

The NEA had to terminate contracts for installation of solar plants of 25 MW capacity in Nuwakot and Makawanpur due to controversy in the bid evaluation process.

Despite all these difficulties, the NEA is hopeful of adding up more power to its grid. It hopes to start power generation from the 30 MW Chameliya Hydropower Project by the end of December to improve supply for the months ahead.

Source: The Kathmandu Post; 19 Oct 2017

Upper Karnali Hydro receives forest clearance

The development of the much awaited Upper Karnali Hydropower Project has moved a step forward with its Indian developer signing a memorandum of understanding (MoU) with the Forest Department to clear trees at the project site. The accord between the project builder GMR Upper Karnali Hydropower and the department has removed a longstanding obstacle preventing the construction of the 900 MW plant located in western Nepal.

On August 14, the Cabinet had directed the Forest Ministry to grant forest clearance to the Indian developers of the Upper Karnali and Arun 3 hydropower projects without further delay.

As per the instruction, the Forest Ministry has to provide forest land to the Indian developers by charging a lease fee determined by the ministry. Accordingly, SJVN Arun-3 Power Development Company, the developer of the 900 MW Arun 3, signed an MoU with the Forest Department on August 23. The company is currently cutting down trees at the project site.

However, it took around two months longer for GMR Upper Karnali to sign a similar MoU with the department. The Indian company will now sign a separate agreement with the district forest office mentioning the details and the procedures that it has to follow while clearing the forest.

“After signing the agreement with the district office, we will form a special taskforce and start marking the trees to be cut down,” said a source close to the Indian company. “We will then cut the trees and transfer the timber to the district forest office. We will probably start clearing the forest in November.” GMR Upper Karnali has said that it will take around eight to nine months to clear the forest land required for the project. “As of now, we have received clearance for 235 hectares of forest land and we still need clearance for another 17.72 hectares,” said the company source. “There will be no delays from our side.”

According to the guidelines on use of forest land, project developers have to plant two trees for every tree that is cut down and nurture the saplings for a period of five years in an area arranged by the Forest Department. However, for forest land which is used to build permanent structures like dam, powerhouse and office buildings, the developers have to provide replacement land or pay cash as per the rate determined by the Forest Ministry.

The Arun 3 and Upper Karnali projects have a capacity of 900 MW each, and are located in eastern and western Nepal respectively. The power generated by the projects will be exported to India.

According to the project development agreement signed by the government with the Indian developer of Arun 3, Nepal will get 21.9 percent of the electricity generated free of cost. Likewise, as per the deal with the developer of Upper Karnali, Nepal will get 12 percent of the project's energy and 27 percent of the stock free of cost.

Source: My Republica; 23 Oct 2017

TBM put to work for tunneling in Bheri-Babai project

Tekendra Basyal

The tunneling work at Bheri-Babai Diversion Multipurpose Project, a national pride project, has been started with the use of Tunnel Boring Machine (TBM). The machine, imported from China, is regarded an important value addition to the project, which has raised hopes of the contractor to complete the project work on time. The TBM, which was brought to the project site at Hattikhola of Surkhet district, was put to work from October 16, according to the contractor.

Earlier, laborers had dug a total of 150 meters of the tunnel before the machine was brought to the project site. State Minister for Irrigation, Sanjay Gautam, had officiated an event organized last month upon arrival of the TBM into the country. Parts of the TBM were assembled here and the machine was put to work after 20 days of its arrival in the district.

Li Chyang, the in-charge of China Overseas Engineering Group Co Ltd (COVEC), the Chinese contractor of the tunneling work, informed that they have started using the machine for digging the 12-kilometer-long tunnel that will divert the water of Bheri River into Babai, which will be used for irrigation in Bardiya and Banke districts.

The machine can dig about 20 meters of tunnel a day. "The TBM takes one and a half years to dig 12 kilometers of the tunnel," Chyang said: "We operate the machine 18 hours every day, and we have a target of completing the 12-kilometer-long tunnel within two years."

Cement pipes will be fitted in place after digging the tunnel to make it ready for diverting river water. Three Russian technicians are helping with the assembling and operation of the machine. A total of 90 Chinese officials and technicians are working at the project site, apart from about 500 Nepali nationals who are employed in the project.

The COVEC brought the machine from China's Shanghai to Nepal via the Kolkata port. The height and width of the tunnel are both 5.6 meters. The project management team hopes to complete the project work within the stipulated time with the machine in place.

The project comprises of three phases: the first phase consisting of construction of the tunnel, the second phase of generating 48 MW electricity and connecting it to the national power grid, and the third phase of irrigating parts of Banke and Bardiya districts. On the completion of the project, 51,000 hectares of land in the two districts will have irrigation facilities throughout the year.

Source: The Kathmandu Post; 24 Oct 2017

Govt set to hand over project licence to TBI

Tamakoshi-3 hydro

BIBEK SUBEDI

While the Investment Board Nepal (IBN) was gearing up to launch international bidding to develop the much-awaited Tamakoshi 3 Hydropower Project, the Energy Ministry is all set to award the project's survey licence to TBI Holding, a company owned by Bhaban Bhatta, newly elected president of the Non Resident Nepali Association (NRNA).

Bhatta had filed an application at the Department of Electricity Development (DoED) on October 11 to obtain the survey licence for the 650 MW project. The department took less than a week to approve the application, which has now been forwarded to the Energy Ministry for final approval.

"The documents presented by TBI Holding along with the application were complete. Hence, the department has forwarded the application to the ministry, recommending that survey licence be awarded to the company," said DoED Spokesperson Babu Raj Adhikari. "As the survey licence of the hydropower project with installed capacity above 100 MW has to be issued by the ministry, the final decision will be taken by the ministry."

The recent development comes at a time when the government has authorised the IBN to implement hydropower projects with installed capacity of 500MW or above. As per the Investment Board Act 2011, the IBN has sole authority to implement project of 500MW and above.

Investment Board Nepal (IBN) had prepared a modality for the construction of the project under the public private partnership (PPP) model with a mix of domestic and international investments after the potential developer Statkraft of Norway pulled out from the project in January 2016. The board had forwarded the proposal to the ministry in April, seeking suggestions.

While the board was waiting for ministry's response, the DoED, as per the instruction of the Energy Ministry, initiated the process of implementing the project, breaching the provisions of the Investment Board Act.

"We are still waiting for the ministry's response," said an IBN official. "But we have received information from various sources that the ministry is all set to award licence to a company without initiating the bidding process. This is illegal and will weaken the IBN." Although around half a dozen foreign companies were interested in building the project following departure of the Norwegian company, the IBN had asked them to wait until global bidding starts. "If the project is awarded without bidding, it will tarnish the image of Nepal as an investor-friendly destination," said the IBN source.

Statkraft had signed a project negotiation agreement with IBN, but left just before project development agreement (PDA) negotiations began. The Norwegian company had spent Rs1 billion to conduct a survey, obtain technical updates and perform environment impact assessment after receiving a survey licence from the government in March 2007.

Officials said it had abandoned the project over concerns about finding buyers for the electricity produced by the project. Statkraft had planned to sell energy in India. But it lost hope after India imposed a trade blockade and relations between the two countries soured. Tamakoshi 3 is a run-of-the-river project located in Dolakha and Ramechhap districts east of Kathmandu.

Source: My Republica; 24 Oct 2017

Tanahu Hydroelectric Project works in full swing

Shreehari Poudel

The works of building facilities for Tanahu Hydroelectric Project, as part of the preparatory works of the project, are going on in full swing while works of dam construction, power house, and transmission line have also been started, according to officials of Tanahu Hydropower Ltd (THL).

The first phase of the works includes construction of employee residence, a bridge over Seti River for access to the project site, gravelling of the access road, and a sub-station for supplying electricity for the works in the project site in Tanahu, said Bidur Adhikari, deputy manager and site in-charge of THL. Likewise, the project has also distributed about Rs 500 million, or 80 percent of the allotted Rs 650 million, in compensation of 1250 ropanis of private land acquired for the project.

THL is a subsidiary of Nepal Electricity Authority and the project's installed capacity is 140 MW with minimum daily peaking capacity of six hours.

Blacktopping of the two-kilometer-long road starting from Jhaputar bridge is beginning soon, according to Adhikari.

THL has also started the main tasks of construction of dam, power house, and transmission line.

The project of 140 MW capacity has a total estimated investment of Rs 50 billion, consisting of Rs 18 billion funded by Japan International Cooperation Agency (JICA), Rs 15 billion by Asian Development Bank (ADB), and Rs 4 billion by European Investment Bank in loan investment. The NEA funds the remaining amount for the project.

The project's dam will submerge parts of Byas municipality and Kahushivapur, Bhimad, Majhkot, Riseeng Ranipokhari, Jamune, and Sabhung Bhagwatipur VDCs of the district.

Officials said that after completion of the basic infrastructure, the works for the project will begin in full swing after two months. The project in Seti River was started earlier this year and its expected deadline for the construction is by the end of 2022.

Likewise, THL is also preparing to sign Power Purchase Agreement (PPA) with the NEA. The electricity generated from the project will be connected to Bharatpur sub-station through 220KV transmission line. Meanwhile, THL is also organizing skill development training for the project-affected people. The skill development training include masonry, electrician (house wiring), and plumbing. The training will begin next week in coordination with the Council for Technical Education and Vocational Training (CTEVT).

THL's officer Bholanath Sharma informed that youth aged 18 and above and project-affected youth can apply for the training.

Source: The Kathmandu Post; 25 Oct 2017

Chameliya to start test production on November 4

The Chameliya Hydropower Project is scheduled to start test production on November 4, plant owner Nepal Electricity Authority (NEA) said.

According to the state-owned power utility, the 30 MW project located in far west Nepal will start producing electricity commercially and connect to the national grid by the second week of December. Korea Hydro and Nuclear Power Company, the electro-mechanical and hydro-mechanical contractor, has taken over the project from China Gezhouba Group Corporation, the civil contractor for the project. The Korean contractor is currently conducting tests of various equipment installed in the powerhouse and the transmission line.

The manufacturers of the machinery set up at the hydropower plant will also participated in the tests in a few days.

“On Thursday, the manufacturer of the communication system at the hydropower plant will visit the project site to do a final test,” said Ajay Kumar Dahal, the NEA appointed project chief of Chameliya. According to the NEA, all the tests will be completed by Saturday. “The same day, we will start filling the 4-km tunnel of the project with water diverted from the Chameliya River,” said Dahal. “By November 4, the tunnel will be filled with water, and the actual test will begin.”

The test generation will continue for a month, and then the electricity will be evacuated over the 132 kV Blanch-Attariya transmission line to Attariya, a business hub in far west Nepal, according to the NEA. With this development, one of the country’s most troubled hydro projects which witnessed substantial time and cost overruns has taken the final step towards completion.

The construction of the Chameliya project started in January 2008. It was originally scheduled to be completed by June 2011, but the completion date was pushed back on multiple occasions due to disputes between the NEA and the civil contractor.

Work at the site came to a halt in May 2014 after the government refused to make an additional payment of Rs1.09 billion which the Chinese company had asked for due to cost variance resulting from the squeezing of the tunnel. The contractor agreed to resume work after being summoned to the Energy Ministry and told to do so immediately by then Energy Minister Janardan Sharma.

The company, which returned to work in October 2016 after more than two years, then speeded up construction work and completed it within the September deadline.