

Source: The Rising Nepal: 21 November, 2018

Foundation stone laid to Trishuli III B Substation

The foundation stone of the Trishuli III Substation to contribute some 600 MW electricity to the national grid has been laid on Wednesday.

Minister for Energy, Hydropower and Irrigation Barshaman Pun laid the foundation stone to the hydropower project located between Rasuwa and Nuwakot. The foundation laying function was also attended by Vice President of European Investment Bank, Andrew Mcdowell, Ambassador of EU delegation, Veronica Cody, and German Ambassador to Nepal, Roland Schafer, among others. The cost of the substation is 65.25 million Euro.

The substation brings together the electricity generated from nearly a dozen of hydropower including Upper Trishuli III A (60 MW), Upper Trishuli III B (37 MW), Rasuwagadi (111 MW), Upper Trishuli I (216 MW), Rasuwa Bhotekoshi 120 (120 MW), Sanjen (42.5 MW), and Upper Sanjen (14.8 MW).

According to Executive Director of Nepal Electricity Authority, Kulman Ghising, the substation is of strategic importance to the Trishuli corridor.

Similarly, Minister Pun urged the construction contractors to complete the construction on time.

Source: My Republica: 21 November, 2018

Energy Minister Pun inaugurates Trishuli III hydro project

Minister for Energy, Water Resources and Irrigation Barsha Man Pun has inaugurated Trishuli III hydro power project at Kispang rural municipality-5 in Nuwakot district on Wednesday. The power developed in Rasuwa and Nuwakot will be supplied to Kathmandu Valley through the 220 KV transmission line. The company has planned to complete the construction within this current fiscal year.

According to sources, Nepal Electricity Authority (NEA) will invest Rs 19 million, European Investment Bank 30 million, the KFW, a German government-owned development bank 14 million and European Union will invest Rs 8.48 billion in the hydro project. It is learnt that EU and KFW will provide technical assistance for the project.

The power supplied through Chilime-Trishuli transmission line III B and Samudratar-Trishuli III B will be connected to this sub-station before being supplied to Kathmandu through a 40-km-long 220 KV two-way transmission line.

The power generated through 15 different hydro power projects developed in Nuwakot and half-a-dozen on the border between Nuwkot and Rasuwa will be connected to this transmission line.

Source: The Kathmandu Post: 21 November, 2018

Nepal-China power line plan hits funding snags

BIBEK SUBEDI

China is unlikely to fund the construction of the much-hyped trans-Himalayan electric transmission line which the government had hoped to build with its help due to viability issues. During a meeting of the Nepal-China joint technical committee held in China in September, the Chinese side insisted that the proposed power line linking Rasuwagadhi and Kerung across the northern border should be economically viable. The two governments formed the joint technical committee to prepare a detailed project report (DPR) of the first ever cross-border power line. Chinese officials indicated that Beijing would not provide a grant to develop the transmission line, according to a Nepali delegate who participated in the conference.

“The Chinese side, coordinated by the vice-chair of State Grid Corporation of China, asked if the project was commercially viable and requested details of the generation, demand and supply of electricity in Nepal,” said the official.

“We have submitted the details along with the projected generation, demand and supply of electricity. As per our forecast, we will have surplus electricity in the next few years which we can export.” The financial modality for the execution of the project will become clear at the next meeting of the committee scheduled to be held next month, the official said.

Komal Atreya, the government-appointed project chief of the cross-border power line project, said they hadn’t ruled out the possibility of securing a Chinese grant to build the power line.

“During our next meeting, we will try to convince the Chinese side about the strategic importance of the project,” said Atreya. “As the power line project can link the Chinese energy market with other South Asian countries, they might be interested in bankrolling the scheme.”

Nepal and China formed the joint technical committee in July as per an understanding signed between the two governments during Prime Minister KP Sharma Oli’s last visit to China.

The team was authorised to prepare the DPR and finalise the construction and funding modality of the 400 kV trans-Himalayan power line. The transmission line will extend from Galchhi in Nepal to Shigatse in China.

As only 80 km of the estimated 800-km length of the transmission line lies within Nepali territory, Nepal has asked China to take the lead in developing the project.

The Nepali portion of the power line will stretch from Galchhi in Dhading district to Rasuwagadhi on the border with China in the north, according to the Nepal Electricity Authority (NEA), the government appointed focal institution for the execution of the project. The NEA has finalised the alignment of the power line.

State Grid Corporation of China officials visited Nepal in early 2017 to hold talks on the planned power line with the Ministry of Energy Water Resources and Irrigation and the NEA. During the meeting, NEA Managing Director Kulman Ghising asked the Chinese delegation to extend the proposed transmission line further south to Galchhi so that it could be linked with the Nepal-India cross-border transmission line proposed to be built in Rupandehi district.

Source: The Kathmandu Post: 23 November, 2018

Upper Tamakoshi likely to miss completion deadline

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Delays in the construction of the hydro-mechanical component are likely to make the Upper Tamakoshi Hydropower Project miss its recently revised completion deadline. The 456 MW national pride project located in eastern Nepal had planned to start commercial generation of electricity by mid-November 2019, according to Upper Tamakoshi Hydropower Company, a subsidiary of the Nepal Electricity Authority (NEA).

Highly placed NEA sources said it would be impossible to meet the new deadline unless the project office finds an alternative to Texamo, the Indian contractor hired to execute the hydro-mechanical works.

“It seems like the contractor hired for the hydro-mechanical job is not competent enough to carry out the crucial task of fitting the penstock pipes at the power plant,” said the source. The penstock pipes deliver water from the dam into the turbines in the powerhouse to generate electricity. “If the project office doesn’t solve this issue, the project will not meet the revised completion deadline,” said the source.

“The management must make a bold decision and replace the Indian contractor.”

The project office agreed that the contractor hired to implement the hydro-mechanical component was not performing satisfactorily, but it said the work would be completed by the deadline.

“We are on track to complete the project by the revised deadline,” said Ganesh Neupane, spokesperson for Upper Tamakoshi. According to Neupane, the project is trying to convince the Indian contractor to subcontract some of the tasks to Andritz Hydro which is implementing the electro-mechanical works.

As terminating the contract and appointing another contractor will take several months, the project management is planning to ask Texamo to subcontract some of its jobs to Andritz Hydro.

The project has faced cost overruns due to the delay. It was initially planned to be built at a cost of Rs35 billion, but the final bill is now expected to reach Rs50 billion. The total cost will reach Rs70 billion if interest is added. The project is considered to be a model project which is being developed with domestic resources and a high level of participation by project-affected locals and the general public.

After the Upper Tamakoshi roars into life, Nepal is projected to have surplus energy at least during the wet season, and the NEA will be in a position to export electricity to neighbouring India. During the wet season, surplus energy can be transmitted over the Khimti-Dhalkebar transmission line to the Dhalkebar substation, and on to the Dhalkebar-Muzaffarpur cross-border transmission line for export to India.

Source: My Republica: 22 November, 2018

Energy minister inaugurates work on Trishuli 3B Hub Substation

The Minister for Energy, Water Resources and Irrigation Barshaman Pun on Wednesday inaugurated work on Trishuli 3B Hub Substation.

The substation is said to be key to evacuate power generated by different by different hydropower projects on Trishuli River Corridor in Rasuwa and Nuwakot districts. All the energy generated by projects in both the districts will be connected to this hub of 220 kVA capacity.

The work is expected to be completed by mid-July next year, according to project officials.

The project is expected to cost Rs 8 billion. European Investment Bank is investing 30 million euros in the project, while German Development Bank (KfW) is putting in 14 million euros. Likewise, European Union is investing 2.25 million while, Nepal Electricity Authority (NEA) is chipping in 19 million euros.

Apart from investment in the project, KfW is also providing technical assistance to the project.

The electricity supplied via Chilime Trishuli Transmission Line 3B Hub and Samudratar Trishuli 3B Hub will be connected to this substation. A transmission line of 40 kilometer connects Trishuli 3B Hub Substation with the Matatirtha Substation in Kathmandu to supply energy generated in the Trishuli Corridor to the capital city.

Work to build the transmission line is said to be in the last leg. The transmission line can bring power generated by over two dozen hydro power plants in Rasuwa and Nuwakot district to the capital city.

Source: The Kathmandu Post: 23 November, 2018

Chinese-Nepali consortium to build Upper Marsyangdi

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A consortium comprising Chinese and Nepali companies have stepped forward to build the 600 MW Upper Marsyangdi Hydroelectric Project after the original developer Indian infrastructure giant GMR pulled out.

Chinese firms SCIG International, Xingcheng International Investment and QYEC International, and Nepali firm Butwal Power Company have bought all of the project's shares from GMR and asked Investment Board Nepal (IBN) to start negotiations to sign a project development agreement (PDA). IBN is the project implementing authority for the Upper Marsyangdi scheme located in north central Nepal.

Butwal Power CEO Uttar Kumar Shrestha told the Post that they had sent an informal message to IBN to start PDA negotiations. "As the consortium is yet to complete the ownership transfer of the 600 MW project to be developed on the Marsyangdi River in Lamjung and Manang districts, we have communicated with the board informally," said Shrestha. "As soon as the transaction is completed, we will start formal negotiations with IBN and sign a PDA."

The PDA is a contractual document which will bind the government and the developer to certain terms and conditions. It contains the obligations that the government and the developers have to fulfill. The PDA will list the benefits like free electricity and equity and the royalty that Nepal will receive from the developer. The PDA will also categorise force majeure and termination compensation.

Earlier, IBN had signed two separate PDAs with GMR and SJVN, developers of the Upper Karnali and Arun 3 hydropower projects respectively. Indian state-owned SJVN has begun the construction of Arun 3 while GMR is yet to start work on Upper Karnali.

Butwal Power and the Chinese companies bought all of the shares of Upper Marsyangdi a few months ago and are seeking approval from multiple government agencies for the ownership transfer. IBN has approved the transfer of the shares.

Nepal Rastra Bank (NRB) is preparing to give clearance to the Chinese developers to bring funds into the country and the Indian developer to take back the proceeds from the divestment.

Although Upper Marsyangdi was originally planned to be an export-oriented project, the consortium is planning to develop it with an eye on the Nepali market. "Our plan is to sell the electricity generated by the project in the country," said Butwal Power CEO Shrestha.

Upper Marsyangdi is a peaking run-of-the-river project with a 3.1 hours minimum peaking capacity.

It is a high head scheme with a storage capacity envisaged for the installation of four 150 MW generating units, giving a total installed capacity of 600 MW.

Source: The Rising Nepal: 23 November, 2018

Mewakhola hydel power to be developed

A 49-megawatt hydro power project based in Mewakhola (stream) of Mikwakhola rural municipality, Taplejung is to be constructed. The Mewa Developers' Private Ltd has started basic-level works of the project.

The company plans to complete the mid-Mewakhola project within next five years. The estimated cost of the project is around nine billion. Detailed project report for the same is being prepared.

Works to widen the road are being carried out for the convenience of implementation of the project.

Purchasing of land and PPA have just completed, company's engineer Bhanu Pokhrel said.

The construction works in a full-fledged pace will start within a year.