

Source: The Kathmandu Post, May 26, 2019

Budhi Gandaki project plans to complete compensation distribution by next fiscal year

- PRAHLAD RIJAL

The government is planning to complete the compensation distribution for those affected by the construction of the 1,200MW Budhi Gandaki Hydropower Project in the next fiscal year, but development modalities still remain uncertain.

The Ministry of Energy has asked the Finance Ministry to allocate Rs18 billion of the next budget for compensation payments for people affected by the \$2.5 billion Budhigandaki Hydropower project in the next fiscal year. The storage-type project is located in Gorkha and Dhading districts.

The budget ceiling for the Energy Ministry set by the National Planning Commission for the next fiscal year is Rs88.45 billion. “Out of this, Rs18 billion will be set aside for land compensation payouts,” said Gokarna Raj Panta, deputy spokesperson at the Energy Ministry.

The government has already spent around Rs20 billion to acquire land from 27 settlements in Gorkha and Dhading districts.

“The land acquisition process and distribution of compensation is in line with the government’s plan and policy for the next fiscal year in order to build the project,” said Prabin Raj Aryal, spokesperson of the Energy Ministry. “We are yet to fix the land rates in a few market areas in Gorkha and Dhading.”

The authorities have fixed the compensation rates for around 30,000 ropani of land in Gorkha and 28,000 ropani in Dhading.

But the Energy Ministry is yet to settle the compensation issues in Arughat and Arkhet in Gorkha and Khahare in Dhading as these areas will face a complete inundation.

The government has estimated that around Rs60 billion will be required to complete the land acquisition in project-affected areas.

The government, through the Nepal Oil Corporation, has so far collected Rs30 billion as an infrastructure tax from the public.

The government has accorded top priority for the development of the project but it has remained in a state of uncertainty.

In September last year, the Cabinet had directed the energy ministry to initiate processes to prepare a proposal, hold talks and strike a deal with Chinese contractor Gezhouba Group Corporation for execution of the national pride project. But the plan fell apart.

In a recent interview with the Post, Energy Minister Barsha Man Pun confirmed that after two rounds of negotiations with the Chinese contractor, there were no further developments.

The government had recently amended the foreign investment law and introduced provisions allowing investors to apply for the project's development if they are ready to construct the project under engineering, procurement, construction and financing (EPCF) model.

The Energy Ministry had then sought comments from the Finance Ministry to allow project development under the EPCF modality. But the Finance Ministry raised concerns over the modality and overall cost of the project, said an official at the Energy Ministry.

Besides, a guideline for execution of projects under the new modality is also not ready yet, he said.

The project landed in controversy after the then Prime Minister Pushpa Kamal Dahal led-government awarded a contract to the Chinese firm under EPCF model without competitive bidding.

The decision to award the contract to the Chinese developer was quashed by the Deuba-led government in November 2017, saying that there were some procedural flaws while awarding the contract.

And now, the Finance Ministry has also advised Energy Ministry to go for a competitive bidding by reducing the cost of the project.

Source: The Rising Nepal, May 25, 2019

Rajapur sub-station comes into operation

Kathmandu, May 24: Nepal Electricity Authority (NEA), the public power utility, has brought into operation the sub-station it has constructed at Rajapur in Bardiya district.

With the operation of the sub-station since Wednesday, the Rajapur people will now have uninterrupted electricity supply.

Before this, power to the area was supplied via a long transmission line and power supply was erratic. Electricity had to be cut off whenever there was gusty wind and storm due to the long transmission line.

The locals had been urging the Ministry of Energy, Water Resources and Irrigation and the NEA to construct a sub-station for reliable power supply since long.

The 33-11 KV Rajapur sub-station was constructed at an investment of Rs 93.6 million by the government and the NEA. Around 20,000 customers in Rajapur area will be benefited from this.

Meanwhile, NEA has also brought into operation a 33-KV capacity transmission line from Tikapur of Kailali to Rajapur also on Wednesday. The transmission line is about 20 kilometres long, NEA executive director Kulman Ghising said.

Before this, electricity was supplied in Rajapur area from an 11-KV transmission line brought from Tikapur.

NEA has recently constructed and brought into operation 220-KV capacity Trishuli-Kathmandu transmission line and the 132-KV capacity Kabeli Corridor transmission line.

Source: My Republica, May 26, 2019

Kaligandaki transmission Project sees 45 per cent completion

RSS

NAWALPARASI, May 26: The construction of the Sub-station under the Kaligandaki Transmission Corridor project in Surya Basti of Sunawal municipality-13 has seen around 45 per cent completion.

The construction of the Badera Suryabasti (new Butwal 220/132 KV Substation) under the Kaligandaki Transmission line will be completed in around four months.

In the 220/132/33/11 KV Substation will see the installation of three transformers in the first and second phase, according to the project Chief Chandra Kumar Ghosh. The Sub-station will help manage the demand and supply of power.

Construction is also underway to link the Dana sub-station in Myagdi to the Station in Kusma and west Nawalparasi. India's Shree Tata Projects Limited is the contractor company for the construction work. Under the new Butwal section, the 88-km long transmission line starts from Kusma of Parbat to Baglung, Syangja, Palpa, Rupandehi and ends at Badera of west Nawalparasi.

Another 20 kms will be constructed from Butwal to Bardaghat in west Nawalparasi.

Source: My Republica, May 26, 2019

Minister Pun participates in high-level dialogue on UN Decade of Sustainable Energy for All

Pratik Rana

KATHMANDU, May 25: Minister for Energy, Water Resources and Irrigation, Barshaman Pun participated in the High-Level Dialogue on the implementation of the global plan of action of the United Nations Decade of Sustainable Energy for All (SE4ALL) 2014-2024: A Mid-point Review organized by the United Nations Department of Economic and Social Affairs (UN-DESA) in New York on Friday.

Addressing the event, Pun highlighted the importance of SE4ALL initiative and reiterated the commitment of the Government to ensuring reliable, affordable and modern energy for all, according to a press release issued by Nepal's Permanent Mission to United Nations based in New York.

The minister also highlighted that Sustainable Development Goal 7 has an important cross-cutting dimension and fulfilling this goal would help achieve other important goals and targets including poverty reduction (Goal 1) and sustainable infrastructure (Goal 9).

The minister also shared that significant progress has been made in the areas of developing and mainstreaming hydropower as well as renewable energy projects with a view to reducing dependency on imported fossil fuels by replacing them with clean sources of energy.

Pun said that concerted efforts and enhanced international cooperation and commitments from all sides would play a crucial role in achieving affordable and clean energy.

Later today, the Hon. Minister held a meeting with Under-Secretary-General for United Nations Department of Economic and Social Affairs, LIU Zhenmin.

During the meeting, the two sides exchanged views on implementing the 2030 Agenda for Sustainable Development and other aspects of Nepal-UN cooperation, including in energy, according to the press release.

The General Assembly declared the Decade of Sustainable Energy for All 2014-2024 by its resolution 67/215 in 2014 to underscore the importance of energy issues for sustainable development.

The Mid-point Review Dialogue was organized to discuss the implementation of the Decade in its first five years and to stress the importance of the Decade in achieving SE4ALL.

Source: The Kathmandu Post, May 27, 2019

410 km of power lines built, 71 MW added to national grid in eight months

- PRAHLAD RIJAL, Kathmandu

More than 410 km of power lines were added to the country's electricity transmission network in the first eight months of the current fiscal year, bringing the total length of power lines to 3,900 km, said the Economic Survey unveiled on Monday.

The survey said that another 3,675 km of power lines—2,515 km of 132 kV capacity and 1,160 km of 220 kV capacity—were currently under construction.

This fiscal year, a 45-km-long 220 kV double circuit Trishuli-Kathmandu transmission line and a 43-km-long 132 kV Soyak-Panchthar transmission line came into operation. Most of the transmission lines were upgraded from single circuit to double circuit. The construction of major transmission lines, like the 132 kV Thankot-Chapagaun, 220 kV Bharatpur-Bardaghat, 132 kV Kabeli Corridor (Phidim-Amarpur) and 400 kV Tamakoshi-Kathmandu, has stalled due to land compensation and forest clearance issues and delays by contractors.

Several power line and distribution projects worth Rs45 billion remain to be executed in the next fiscal year, Energy Ministry officials said. "We have accorded high priority to the construction of transmission corridors for optimal evacuation of power for domestic consumption in line with the Ujyalo Nepal Campaign and for export," said Prabin Raj Aryal, spokesperson for the ministry.

The Nepal Electricity Authority built 19 grids, 8,000 km of power lines including distribution lines and 20 distribution sub-stations this fiscal year.

The power utility will require a budget allocation of Rs60 billion in the next fiscal year to undertake key transmission corridor projects in eastern and central Nepal. A majority of private power projects are nearing completion in these areas, Energy Ministry officials said.

Electricity generation has reached 1,142 MW as of date. According to the Economic Survey, hydropower plants generated 1,029.8 MW, thermal plants churned out 53.40 MW, solar projects produced 27 MW and small and medium hydel plants accounted for 32 MW.

The state-owned power utility accounted for 561 MW, private producers 522 MW and the alternative energy sector accounted for 59 MW of the electricity produced in the country, the survey said.

Gandaki Province recorded the highest output with a slew of power plants producing 481.20 MW while Province 2 has not been able to generate a single unit of power.

Around 71 MW of electricity was added to the national grid in the first eight months of the fiscal year, but output is slated to double in the next fiscal year as 43 power

projects including Upper Tamakoshi (456 MW), Rasuwagadhi (111 MW) and Lower Solu (82 MW) are on track to feed another 1,264 MW into the national grid. The expected increase in energy generation is more than the current production of 1,142 MW.

The survey also revealed that energy imports from India declined by 30 percent from 2,581 GWh in the first eight months of the last fiscal year to 1,834.89 GWh this fiscal year. The state-owned power utility was also able to bring down the demand-supply gap from 463.57 MW to just 20 MW in the review period.

TOTAL INSTALLED CAPACITY

Region Installed Capacity (MW)

Province 1 162.29

Province 2 —

Province 3 362.21

Gandaki 481.20

Province 5 21.17

Karnali 7.16

Sudurpaschim 40.1

MAJOR UPCOMING PROJECTS

Projects Capacity (MW)

Upper Tamakoshi 456

Rasuwagadhi 111

Khanikhola-1 40

Mistry Khola 42

Sanjen 42.5

Khani Khola 30

Lower Solu 82

Upper Balefi A 36

(Source: Economic Survey)

Source: The Himalayan Times, May 27, 2019

Govt committed to delivering sustainable energy for all

Minister for Energy, Water Resources and Irrigation Barshaman Pun, has said that the government is committed to deliver on the United Nation's ongoing Sustainable Energy for All (SE4ALL) programme.

Addressing the 'Highlevel dialogue on the implementation of the global plan of action of the United Nations Decade of Sustainable Energy for All (2014 to 2024): A mid-point review', organised by the UN Department of Economic and Social Affairs in New York on Friday, Minister Pun highlighted the importance of SE4ALL initiative taken by government of Nepal.

Issuing a press statement, the Permanent Mission of Nepal to the United Nations stated that during the dialogue Pun mentioned about his focus on the initiatives and reiterated the government's commitment to ensuring reliable, affordable and modern energy for all. The minister also highlighted that Sustainable Development Goal 7 has an important cross-cutting dimension and fulfilling this goal would help achieve other important goals and targets including poverty reduction and sustainable infrastructure.

The minister also highlighted the significant progress that has been made in the areas of developing and mainstreaming hydropower as well as renewable energy projects with a view to reducing dependency on imported fossil fuels by replacing them with clean sources of energy.

He also stressed that intensive efforts and enhanced international cooperation and commitments from all sides would play a crucial role in achieving affordable and clean energy.

Source: The Himalayan Times, May 27, 2019

NEA scraps contract with Indian firm, seizes guarantee of \$3.57m

Nepal Electricity Authority has terminated the contract with Icomm Teli Ltd — the Indian contractor of 220 kVA Hetauda-Bharatpur-Bardaghat transmission line project — after the company failed to carry out the designated works properly.

Moreover, NEA has also seized the performance guarantee worth \$3.57 million of the Indian company and decided to penalise the company \$1.6 million for delaying the transmission line project.

Kulman Ghising, managing director of NEA, informed the contract was scrapped with Icomm Teli Ltd as it completely halted construction works of the project by going against the agreement.

“There is no obstacle in the project site. However, the contractor not only stopped project works, but also ignored NEA’s frequent calls to continue project works and also did not respond to numerous letters sent by NEA,” informed Ghising, adding that the activities of Icomm Teli Ltd were not only against the pact but the contractor’s performance was also unsatisfactory since the beginning itself.

Meanwhile, Ghising also informed that NEA is finalising the process to hire new contractor for the project and a global tender for project will be announced soon.

NEA had signed an agreement with Icomm Teli Ltd in 2008 to construct the 74-kilometre-long 220 kVA Hetauda-Bharatpur-Bardaghat transmission line project at an estimated cost of \$9.6 million.

Out of 226 towers that fall under this section, the Indian contractor has already developed the base for 168 towers and 119 such towers have been erected since 2008.

Following unsatisfactory performance from the Indian contractor, a year ago NEA had appointed Chinese firm Hengtong Optic-Electric to complete the works along Bharatpur-Bardighat section. The pact was signed at \$5.5 million. Of the 246 towers that need to be built under this section, the Chinese firm has already fixed 137 towers.

Source: The Kathmandu Post, May 28, 2019

Energy Minister Pun downplays corruption charges against utility chief Ghising

- PRAHLAD RIJAL, Kathmandu

Energy Minister Barsha Man Pun downplayed the accusations of financial misappropriation levelled against Nepal Electricity Authority Managing Director Kulman Ghising by some ruling party lawmakers.

“We have seen many misleading reports in the media, but there has been no financial misappropriation at the power utility as it has been regularly billing and collecting charges from industries for the electricity supplied to them,” said Minister Pun. “If any industry is found to have received power using trunk lines in violation of provisions in the past and has not paid its dues yet, we will collect the outstanding amount from it.”

According to Pun, the Ministry of Energy, Water Resources and Irrigation will also conduct an investigation, seek clarifications and punish former office bearers of the state-owned power utility if they are found to have been involved in providing power illegally to the industries.

Minister Pun’s statement follows charges by lawmakers during a stormy meeting of the parliamentary Public Accounts Committee last week that power utility chief Ghising had been involved in suspicious transactions and corruption.

The House panel had called the electricity authority’s managing director, secretary of the Energy Ministry and other officials and grilled them about the recent dispute between the power utility and industrialists over unpaid electricity bills.

An anonymous senior official close to the ministry said that the accusations against Ghising were part of a plot to defame the power utility chief and force him out from the Nepal Electricity Authority.

“Ghising has been blamed for the results of decisions made by his predecessors,” the official said. “This is all because he has not acted in line with the interests of some powerful leaders and has tried to recoup the financial losses caused by former utility officials.”

Defending the charges levelled against him, Ghising said that former officials of the utility had been supplying power illegally to the industrialists when the country was suffering from severe load-shedding a long time before he took office.

“It is not true that we did not bill the industries for the past three-four years like some media reports said. We have billed them and they have been paying their bills regularly,” said Ghising. “The issue is about collecting dues from those industries that consumed or were supplied power illegally through trunk lines while the general public faced long power outages.”

Speaking to reporters at a recent interaction in his office, Ghising said, “In some instances, the former heads also bypassed legal requirements to unilaterally approve supplying power to industries through dedicated feeders and trunk lines without forwarding their applications to the board.”

As per the provisions of the billing bylaws, any industry that wishes to obtain electricity through trunk lines for 20 hours or longer will have to pay the charges applicable to dedicated feeder users. Such industries must get the approval of the utility’s board of directors, and they cannot get electricity through trunk lines for a period longer than the load-shedding hours.

“Any industry found to have used electricity for more than the permitted hours as per the load-shedding schedule will be charged under the Electricity Theft Control Act 2002, and it will be required to pay regular premium rates and compensation charges for the unauthorised use of electricity,” state the bylaws.

A row between industrialists and electricity officials intensified after the power utility sent them bills in line with its internal committee’s assessment that the industries supplied by dedicated feeders and trunk lines owed Rs4.3 billion in energy charges as per its billing provisions.

The industrialists accused the electricity authority of illegally charging them and said the charges set by the authority were 'unacceptable'. The power utility and Energy Ministry officials are preparing a detailed report of the electricity consumed by each of the industries in question.

"We will complete the report within a month and also investigate former officials who were involved," said Minister Pun on Tuesday.

A complaint has been filed at the Commission for the Investigation of Abuse of Authority seeking investigation against former electricity authority officials for abusing power, colluding with industrialists and engaging in massive misappropriation of funds.

The applicant charged that the officials supplied electricity to industries while imposing 16 hours of load-shedding on the general public, and demanded a probe against former managing director Mukesh Kafle of the Nepal Electricity Authority, deputy director Sher Singh Bhat, chief of the Load Dispatch Centre Bhuwan Kumar Chettri and other officials.

"The officials were involved in massive financial misappropriation as they had asked the industries to file an application requesting supply of electricity and approved their applications unilaterally without forwarding them to the electricity authority board in line with legal provisions," the applicant said. In response, the anti-graft body has sought an investigation report from the power utility.

Source: The Kathmandu Post, May 30, 2019

Energy, irrigation and water supply projects get high priority

- PRAHLAD RIJAL, Kathmandu

The government issued the budget statement for the next fiscal year on Wednesday which emphasised the development of new and the completion of under construction energy, irrigation and water supply projects.

The government has allocated Rs83.49 billion for energy projects, under construction hydropower schemes and transmission lines, and has set other high targets.

Releasing the budget statement, Finance Minister Yuba Raj Khatiwada said that the government had prioritised the construction and completion of strategically important high capacity transmission lines, both national and cross border, in the next financial year which begins on July 17.

[Read: Rs1.53 trillion: Ambitious and unrealistic]

“At least two large scale hydropower projects will be constructed in each province, and the government will expedite work on the Upper Tamakoshi and Rasuwagadhi hydel plants to add another 1,000 MW to the national grid in the next fiscal,” said the finance minister.

The 456 MW Upper Tamakoshi Project being built with domestic resources is on track to begin operations in November. The project faced massive cost overruns owing to construction delays. Interest payments on long-term loans bloated to Rs14.42 billion in 2018 from Rs6.7 billion in 2016 when construction started. The government has allocated Rs1.85 billion for the project in the next fiscal.

BUDGET ALLOCATION (IN BILLION)		
PROJECTS	2018-19	2019-20
Budhi Gandaki Hydroelectric	Rs 17.99	Rs 13.57
Upper Tamakoshi Hydropower	Rs 0.5	Rs 1.85
Tanahu Hydropower	-	Rs 8.90
Budi Ganga Hydropower	-	Rs 2.2
Sunkoshi-Marin Diversion Multipurpose project	-	Rs 2.5
Bheri Babai Diversion Multipurpose	Rs 6.09	Rs 4.96
Melamchi Water Supply (including phase II)	Rs 7.06	Rs 7.49

“The government will move ahead with the construction of 18 power projects with a combined installed capacity of 3,500 MW under the people’s hydropower scheme,” the finance minister said.

The government has allocated Rs3.47 billion to the Alternative Energy Promotion Centre to execute projects in geographically remote areas that have not been connected to the national grid.

The finance minister earmarked Rs13.57 billion for the Budhi Gandaki Hydroelectric Project in Gorkha and Dhading districts, but he did not reveal the project’s development modality. Earlier, Energy Ministry officials had asked the government to allocate Rs20 billion to complete land compensation issues in the project affected areas.

[Read: Government revises tax structure and changes income tax slab for salary earners]

With the aim of facilitating regional power trade, the government has also prioritised the construction of the high capacity Butwal–Gorakhpur transmission line, a major component of the \$500 million compact between Nepal and US Millennium Challenge Corporation. For the project to move ahead and mobilise the funds within the stipulated time of September 2019, there must be a cross-border transmission agreement between

Nepal and India, which is yet to materialise.

Also, the finance minister announced plans to build cross-border transmission lines on the mid-hill highway extending along both the north and south corridors to facilitate power trade with India and China.

Water supply and sanitation The government has aimed to make drinking water accessible to 92 percent of the population and has allocated Rs43.46 billion to execute water supply and sanitation projects in the next fiscal year.

“State bodies under the Ministry of Water Supply and Sanitation will be restructured, and water and irrigation projects will be implemented in drought-stricken areas in the next fiscal,” Minister Khatiwada said.

The government has allocated Rs23.63 billion for three irrigation projects—Rani Jamara, Babai and Bheri Babai Diversion Multipurpose. The finance minister called the Sunkoshi-Marin Diversion Multipurpose Project a national pride project and allocated Rs2.5 billion for its execution.

Source: The Kathmandu Post, May 30, 2019

Budget bytes

The Post asked members of the business community what they thought about the budget. Here's what they had to say.

Rajesh Kaji Shrestha

Chairperson of Nepal Chamber of Commerce

The allocation of budget in various sectors including health, social, energy and others is adequate and positive. Cutback in Capital Gains Tax is a praiseworthy move as it will encourage investments and foster growth. This time, the budget has not been prepared in haste and the necessary by-laws required for full implementation of the budget must be brought into effect soon. However, a hike in government staffer's remuneration can create an upward inflationary pressure. Overall, the budget is positive and will help industrial growth.

Ram Prasad Gyawali

Former Head, Central Department of Economics, TU

The budget size is large and it accounts for nearly 44 percent of the country's Gross Domestic Product. The government has tried to serve every interest group through this populist budget and that will do injustice to the economy. The trade deficit will swell and the country will witness a rise in prices. A largely expansionary budget will hike up the capital expenditure and that will put upward pressure on general prices, also with a larger budget, the trade deficit will also increase.

Kumar Pandey

Vice-president, Independent Power Producers Association, Nepal

Although we have no monetary interests that government must address in the budget, the plans of increasing investments in national and cross border transmission lines will bring all power producers good profits. The government should now address the

liquidity issues through favorable monetary policy such that the power producers do not have to bear high interest on bank loans. The decision to invest in energy infrastructure is positive but this budget lacks policies related to expansion of electricity market. No plans that will help increase consumption of electricity are mentioned in this fiscal's budget.

Pashupati Murarka

Former Chairperson of FNCCI

The budget is satisfactory as it has addressed mainly the issues related to tax and growth of manufacturing sectors. It has reduced the deposit amount to be submitted by the taxpayers while facing legal action. In addition, revision in slabs on income tax and reduction in capital gain tax for stocks investors are some of its positive moves. Likewise, the budget tries to relieve domestic manufacturers. Reduction in customs duty on import of raw materials, the expansion of bonded warehouse facility for exporters and commitment to enforce countervailing duty to safeguard domestic products could help promote the domestic industry.

Source: The Kathmandu Post, May 31, 2019

Millennium Challenge Account-Nepal invites prospective contractors to share information on building power lines

- PRAHLAD RIJAL,

Millennium Challenge Account-Nepal on Tuesday requested prospective contractors to come forward and share information on 400 kV transmission lines and construction standards and modalities as the first step in implementing a \$630 million electricity transmission and strategic road project funded by the US through Millennium Challenge Corporation under Nepal Compact.

Nepal and India have to reach agreement on the Butwal-Gorakhpur component of the transmission line project before the compact can become effective, which remains elusive despite multiple high level meetings and deliberations.

“We have issued a request for information as the first move to gather details about the technicalities of the project and requirements for its successful implementation in Nepal,” said Khadga Bahadur Bisht, executive director of Millennium Challenge Account-Nepal. “There is positive indication that the project will take off, but it is uncertain when Nepal and India will sign a project implementation agreement allowing us to move ahead with the construction.”

According to Bisht, Millennium Challenge Account-Nepal issued a request for information amid uncertainty while government officials deliberate and work to resolve pending issues on the Butwal-Gorakhpur component.

Government officials said that internal discussions might be going on between the Nepal Electricity Authority and India’s Central Electricity Authority, but nothing concrete had been decided on funding and implementation modalities.

A meeting of the Joint Steering Committee on Nepal-India Cooperation in Power Sector, slated for June in Bengaluru, is likely to be postponed owing to the recently concluded elections in India, Energy Ministry officials said.

“The plan was to resolve the issue in June, but we have received no word on when the meet will take place,” said Prabin Raj Aryal, spokesperson for the ministry and a member of the steering committee. “It is likely that the meeting will be put off as the funding and implementation modalities are yet to be finalised, and the government there is yet to take full shape.”

Last January, Nepali and Indian electricity authorities had decided to examine funding and implementation options for the Indian portion of the transmission line within three months, however, discussions are still going on.

The two sides had then agreed to evaluate options for the implementation of the line through a joint venture of Indian and Nepali entities with a 50:50 equity of grants and interest-free loans from the respective governments. An agreement on the proposed investment modality is yet to be reached.

US energy analysts aware of the developments say that India is concerned over ‘risk management’ and power utilisation issues which have delayed the agreement.

“There are questions over how the transmission line implemented by the Nepal Electricity Authority will be used in Nepal. Many of its actions will be under the jurisdiction of the newly formed regulatory commission, adding uncertainty to what will happen here,” said David Hurlbut, a senior analyst at the National Renewable Energy Laboratory’s Strategic Energy Analysis Centre, US in a recent interaction in Kathmandu. US Embassy officials are hopeful that the respective officials will overcome obstacles, meet the conditions and implement the project. “Officials have been travelling to Delhi, and there have been meetings on this,” said Andie De Arment, spokesperson for the US Embassy in Kathmandu. “What obstacles are there, they are actively working to solve those because the cross-border agreement is such a key component of MCC’s agreement and its requirement.”

Millennium Challenge Account-Nepal has also made plans to start the bidding process for the execution of 300 km of the 400 kV transmission line under the Electricity Transmission Project. “Millennium Challenge Account-Nepal intends to publish a Specific Procurement Notice and release the bidding document with the final Scope of

Work and Employer's Requirement by October-November 2019," the organisation said.

The Compact, which will prevail over Nepal's laws, includes two components— construction of about 300 km of 400 kV electricity transmission lines and three substations, and technical assistance for the power sector and technical assistance to improve the road maintenance regime and road maintenance work on about 300 km of the strategic road network.

There are five components in the transmission project—one segment starting from the northeast of Kathmandu at Lapsiphedi and extending to the west of Kathmandu near Ratmate, a second segment from Ratmate to the industrial town of Hetauda located south of Kathmandu, a third segment from Ratmate to Damauli in the west, a fourth segment from Damauli to Butwal in the southwest, and a fifth segment from Butwal to the Indian border which is part of the cross-border transmission line.

The Compact clauses also have a provision that the projects must be concluded within five years from the date of implementation or else the funds will go back to the US. Millennium Challenge Corporation has committed to provide \$500 million for the projects and the remaining portion amounting to \$130 will be contributed by the government.

Source: My Republica, May 31, 2019

Renowned industrialist Prabhakar Sumsher Rana passes away

Samriti Maharjan

KATHMANDU, May 31: Renowned industrialist Prabhakar Sumsher Rana passed away in the United States on Thursday. He was 84.

Rana, who is considered as the pioneer of the Nepali hotel industry, died in course of treatment at Rehabilitation Centre in New York, according to family sources. He admitted to the hospital one year ago.

The final rites of Rana will be performed in New York, according to sources.

Rana was the founding chairperson of Soaltee Crowne Plaza and later on the chairman emeritus of the five-star hotel.

Rana had been engaged in multiple sectors such as tourism, trade, automobiles, and hydropower. Rana established Sipradi Trading Pvt. Ltd in Kathmandu in 1982, which became the exclusive distributor of Tata Motors Ltd. for Nepal.

Rana also established Bhote Koshi Power Company in 1996. His son Siddhartha is currently looking after the entire business operations.