Source: My Republica, 31 January 2021

Indian company SJVN Ltd to be awarded contract for construction of Lower Arun Hydropower Project

KATHMANDU, Jan 30: The government has decided to award the contract for the construction of the Lower Arun Hydropower Project to SJVN Limited, India.

The 46th meeting of the Investment Board Nepal (IBN) held on Friday came up with the decision to award the contract to the Indian company under the build, own, operate and transfer (BOOT) model as a public-private-partnership. According to the IBN, the meeting chaired by Prime Minister KP Oli chose the developer company based on an assessment of the listed companies selected through an international bidding process.

The proposed project has a projected capacity of 679 MW of electricity and will be situated in Sankhuwasabha and Bhojpur districts of Province 1. According to the IBN, the project is located downstream of the ongoing Arun-3 SHEP and upstream of the proposed Sapta Koshi High Dam project. The dam site of the project will be located at about 34 km upstream whereas the powerhouse site is 7 km upstream from Tumlingtar Airport.

Earlier, a Chinese state-owned company, Power China, had expressed interest to construct the hydropower project. The Chinese company had even signed a memorandum of understanding with IBN to develop the project. However, it retracted from the project construction expressing its dissatisfaction that the government showcased the project at the Investment Summit held in March 2019.

In the meantime, India also raised its interest in the project when the then Minister for Energy, Water Resources and Irrigation, Barshaman Pun visited India in February 2019.

India has put forth the proposal to build Lower Arun as per all conditions set in Arun III. As per the agreement on Arun III, apart from shares being allocated to the locals and free energy to the affected areas, the government will get Rs 330 billion as royalty over a period of 20 years and the project will also provide 21.9 per cent of the generated energy free of cost to Nepal.

The project cost for Lower Arun is estimated at over Rs 100 billion. As per an initial study, the installed capacity of the project can be enhanced to around 1,000 MW if it is developed as a storage-type project.

Source: My Republica, 31 January 2021

India agrees to sell additional 100 MW electricity to Nepal

KATHMANDU, Jan 31: India has agreed to sell an additional 100 MW of electricity to Nepal. With the new provision, Nepal can now import up to 800 MW of electricity from its southern neighbor.

In a recently held India-Nepal Joint Standing Technical Committee meeting, India expressed its consent to provide additional power through the 400 KV transmission line linking Dhalkebar to Muzaffarpur. Currently, Nepal has been purchasing up to 700 MW peak-hour electricity from India due to a rise in demand for energy and a fall in production in winter. It accounts for half of the total demand during the season.

Similarly, Nepal has already been using the Dhalkebar-Muzaffarpur transmission line to import 250 MW of electricity from India. At a time when Nepal has completed the construction of a substation at the location, India's accord will enable the country to import up to 350 MW through the cross-border network.

Source: The Rising Nepal, 1 February 2021

Decade's Biggest 400 KV Dhalkebar Substation

By Laxman Kalfe, Dhalkebar, Feb. 1: For the first time in the history of century-long power production in Nepal, the 400 kV substation is coming into operation in Dhalkebar (400 kV including Muzaffarpur line).

The substation built under the government's national power development decade program is an automatic substation based on GIS technology. Prime Minister KP Sharma Oli is scheduled to inaugurate the substation very soon.

In the Dhalkebar project located in Mithila Municipality- 7 of Dhanusha district in Province 2, there are three 315 MVA capacity 400 and 220 kV transformers and a 400 kV reactor with a capacity of 80 ACMA connected to this 400 KV substation.

From 400 K.V. substation, around 900 Megawatt electricity can be exchanged at 400 kV and 220 kV

Almost 1000 Megawatt electricity can be exchanged to India through the 400 kV transfer line of Dhaklebar Muzaffarpur. After the construction of a 400 kV transmission line from Hetauda to Inaruwa, up to 2,000 MW of electricity can be exchanged towards both Hetauda to Inaruwa

Source: My Republica, 2 February 2021

NEA signs performance agreement with chiefs of distribution and customer service centers

KATHMANDU, Feb 2: The Nepal Electricity Authority (NEA), in a bid to control electricity leakage and improve service flow, has started signing performance agreements with the chiefs of distribution and customer service centers.

The top management of NEA on Monday signed performance agreements with the chiefs of 23 distribution centers under the provincial office at Janakpur of Province 2.

Controlling electricity leakage has been given a top priority in the performance agreement. According to NEA, an arrangement has been made to reward and punish the branch chiefs by objectively evaluating their performance.

The NEA has set a target of reducing electricity leakage to 8.5 percent in the current fiscal year. Last year, the leakage in the distribution part was 10.28 percent.

The NEA stated that the target is to reduce the leakage of electricity to 12.08 percent in the current fiscal year from the recorded 15.6 percent of last fiscal year. The leakage in the area is 16.6 percent till mid-December. The chiefs of each distribution center under the office have been given separate targets for leakage control.

Source: The Rising Nepal, 2 February 2021

Rural Electrification Project In Full Swing In Udayapur

By Bhaktibilash Pokharel, Gaighat, Feb. 2: The Gaighat branch of Nepal Electricity Authority is striving to make Udayapur District free from darkness by operating various projects.

The NEA Gaighat Branch informed that electricity of the National Transmission Line had already reached to seven out of eight local levels of the districts.

Roshan Kumar Singh, chief of the Gaighat Branch said, "Although it has been a long time that electricity from the National Transmission Line reached Triyuga, Katari, Chaudagandaki and Belaka Municipalities of the district, the locals of Udayapurgadhi, Tapli, Limchungbung, and Rautamai Rural Municipality were compelled to light oil lamps and solar lights due to the absence of electricity."

"But now, all the local levels except Tapli Rural Municipality have been lightened," he added.

Electricity from the nation's transmission line had not reached Udayapurgadi Rural Municipality having a total of 30,780 population as per the 2068 national census. The locals of Udapaurgadi were dependent on micro hydroelectricity projects for electricity. However, the rural electrification plan of the NEA has been able to distribute electricity to 500 houses of Kurkantar and Bahunitar of ward no. 1 and 2. Singh said that works were underway to provide electricity to other wards as well.

"Rs. 150 million budget has been allotted to four Rural Municipalities for the expansion of electricity and works of installation of transmission line has been going on via bidding," added Singh.

Meanwhile, Tapli Rural Municipality has not received wires from the Provincial Office of the Authority. "However, electricity poles are being installed in order to connect electricity line from Betini of Katari Municipality to Rupatar of Tapli Rural Municipality within this Fiscal Year," said Singh.

NEA Gaighat Chief Singh said that the rural areas required numerous electricity poles and wires due to the lack of proper roadway, transportation challenges, and scattered settlements. "Thus it will take time to ensure easy access to electricity in the rural areas," he added.

Likewise, electricity in the most rural Limchungbung Rural Municipality of the district has been brought from Halesi of the neighbouring district Khotang. Singh said that electricity service to 2,500 customers was already provided to Limchungbung.

Source: My Republica, 4 February 2021

Dana-Khurkot transmission line and substation ready

MYAGDI, Feb 4: The construction of the 220-KV Dana-Khurkot transmission line and substation under the Kaligandaki corridor transmission line project has been completed. The two structures are ready for use after the installation of equipment and successful test of the transmission line.

Project Chief Chandan Kumar Ghosh said that the charging of the substation and transmission line has been completed. The substation and transmission line are ready for electricity connection.

He said, “Construction except some projects under civil and social responsibility has been completed.”

Nepal Electricity Authority had started the construction of the Dana-Khurkot transmission line on May 30, 2016 with the financial support of Asian Development Bank.

Tata-Chint Electronic JV had got the contract to construct the 39.6-Km long Dana-Khurkot transmission line along with a sub-station at Rs 2.90 billion.

Assistant Manager of the project, Laxman Phunyal said that around 110 towers were constructed for the same and the latest modern technology has been installed at the sub-station.

The power produced from Ghalemdi hydropower project has already been connected to the substation after the successful charging of the transmission.

Five-MW Ghalemdikhola and 13-4 MW Thapa Khola hydropower project under the Dana substation are in operation. A target was set to complete the project within two years, but it was delayed by two years due to various reasons.

The substation spreads over around 156 ropanis of area. The test of a six-kilometer long transmission line connecting Khurkot to Kushma Municipality-8 Chuwa of Parbat has been successful.

The substation and transmission line have been constructed to connect the electricity generated from the Kaligandaki and its tributaries flowing through the northern region of Myagdi and the hydropower project to be constructed in Mustang to the central grid.

A transmission line from Khurkot to Bardaghat is being constructed as per the target of constructing 142-Km transmission line from Dana of Myagdi to Bardaghat of Nawalparasi.

Source: The Himalayan Times, 5 February 2021

Greenlife Hydropower issuing IPO from today

Greenlife Hydropower Limited is issuing an initial public offering (IPO) to the general public starting today.

The company is offering a total of 3,496,400 units of shares worth Rs 34 million among which 69,928 units have been set aside for the company employees while 174,820 units have been separated for the funds, which leaves a total of 3,251,652 units of shares left for the public to vie for.

The IPO will be open till February 9 and can be extended till February 19 incase the IPO remains unsubscribed, which seems very unlikely with the current IPO 'craze' ongoing among the retail investors in the country. There is a high chance that the shares will be distributed in the form of a lottery for minimum units of shares.

Before this, the company had opened an IPO for the locals of the project-affected area in Dolkha in which 94 per cent were unsubscribed. After distributing the applied units of shares to the locals, the unsubscribed shares have been included in the total share in the current IPO.

Greenlife has designated BOK Capital as IPO issue manager.

The company, which is operating Khani Khola 1 Hydropower Project in Gaurishankar Rural Municipality of Dolakha, has a paid-up capital of Rs 1.44 billion.

After the IPO issuance, capital distribution will be as follows - promoters shareholders 80 per cent, locals of project affected area 0.58 per cent and general public 19.42 per cent.

CARE Ratings Nepal Limited (CRNL) has assigned 'CARE-NP B+ (Is)' rating to Greenlife Hydropower

Limited (GLH). Issuers with this rating are considered to offer high risk of default regarding timely

servicing of financial obligations, in Nepal.

Meanwhile, CRNL has assigned grading of 'CARE-NP IPO Grade 4' to the proposed Initial Public Offer (IPO) of Greenlife Hydropower Ltd (GLH). 'CARE-NP IPO Grade 4' indicates Below Average Fundamentals. CRNL assigns IPO grades on a scale of Grade 1 to Grade 5, with Grade 1 indicating strong fundamentals and Grade 5 indicating poor fundamentals

HydroPower Index in Nepal Stock Exchange (NEPSE) on Thursday was up by 1.2 per cent or 36.88 points to 1958.93 points. As many as 18,719,387 units of shares were traded yesterday with 35 advancing and two companies declined.

Just some weeks ago, Nepal Infrastructure Bank had distributed the largest IPO in the country so far.