

Source: The Kathmandu Post; 2 Feb 2019

Lack of tree cutting permits holds up power line projects

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Several transmission line projects being developed by the Nepal Electricity Authority are in limbo as the Forest Ministry is holding back permission to cut trees, raising the possibility that electricity worth billions may go to waste.

According to the state-owned power utility, difficulties in getting approval from the ministry to cut down trees along the transmission line alignment is one of the major hurdles facing the project.

“It is very difficult to get forest clearance from the ministry,” said Kulman Ghising, managing director of the Nepal Electricity Authority. “Even after if we get the okay from the ministry, the division forest offices in the districts take a very long time to issue the order to cut down the trees.”

This kind of treatment by a government agency has pushed back the construction of a few crucial power line projects to evacuate more than 2,000 MW of electricity which will be produced by various hydropower projects in the near future, Ghising said.

Recently, the Division Forest Office of Rasuwa district halted construction of the 220 kV Chilime-Trishuli Transmission Line Project saying that the project office had not got approval to erect it on forest land. But the Nepal Electricity Authority claims that there are no trees on the stretch where the power line is being built, and that the forest office is obstructing the project for no reason.

“If we fail to construct this transmission line on time, around 170 MW of electricity which will be produced by different hydropower plants will go to waste,” said Ghising.

Hetauda-Dhalkebar-Duh-abi, Solu Corridor, Koshi Corridor, Kali Gandaki Corridor and Marshyangdi Corridor are among the Nepal Electricity Authority-owned transmission line projects that are having a hard time getting tree cutting permits.

While the Hetauda-Dhalkebar-Duhabi line must be completed within a year to distribute the electricity generated by the 456 MW Upper Tamakoshi Hydropower Project, other power lines are required to feed around 2,000 MW of electricity to the national grid, according to the Nepal Electricity Authority.

Privately-owned Hewa Khola Hydropower Project, which is losing out on revenue worth Rs200 million annually due to its inability to evacuate its entire output to the national grid, is one fine example of how power projects suffer losses in the absence of power lines. The 15 MW plant located in Panchthar district in eastern Nepal produces electricity worth Rs450 million annually, but its entire output cannot be transferred to the national grid over the existing 33 kV power line. The Hewa Khola plant had planned on evacuating its electricity to the national grid over the Kabeli Corridor Transmission Line. The Nepal Electricity Authority started the construction of the power line a decade ago, but it is yet to complete the project.

One of the major reasons behind the delay in the completion of the Kabeli Corridor was dillydallying by the Forest Ministry in providing approval to cut down trees. “Generally, a power line project passes through more than one district which requires us to get approval from multiple division forest offices, enlarging our problems,” said Ghising. The Forest Ministry says it is not delaying issuing approval and is ready to resolve the problems being faced by the Nepal Electricity Authority. “We request the Nepal Electricity Authority to come to us with its complaints,” said Sindhu Dhungana, spokesperson for the ministry.

“If we find that our division offices are deliberately obstructing the construction of power lines without a valid reason, we will take strong action against the responsible officials.”

Source: The Himalayan Times; 3 Feb 2019

Nepal seeks high-level meeting on Pancheshwar

The government has proposed to India for a meeting of a high-level team of experts for the Pancheshwar Multipurpose Project (PMP) within this month. The Pancheshwar Development Authority (PDA), the project developer, has proposed to the concerned Indian authorities for a meeting within February or the very beginning of March.

Chiranjivi Chataut, joint secretary at the Ministry of Energy, Water Resources and Irrigation and also the additional chief executive officer of PDA, informed that they have formally written a letter to the Ministry of Water Resources, River Development and Ganga Rejuvenation (MoWRRDGR), India for the meeting. "The Indian authority was positive to our proposal and I believe that the meeting of the team of experts will take place within the projected time."

According to Chataut, the meeting will discuss on the development of the detailed project report (DPR), further geological investigations and downstream benefits.

On April 27 last year, the secretary-level meeting between Nepal and India had extended the deadline to prepare the DPR of the Pancheshwar Project to December, but neither has the DPR been completed nor a meeting been held yet.

The DPR of the project is being prepared by Water and Power Consultancy Services (WAPCOS) Ltd, an undertaking of the Indian government.

Chataut further said that both nations need to resume fresh negotiations to give life to the 4,800-megawatt capacity project, to be constructed on the Mahakali River of the Far-Western Province of Nepal.

The upcoming meeting of the PDA is scheduled to be held in Kathmandu. Last year, the previous meeting had given momentum to finalise the DPR of the project as soon as possible. The meeting had also fixed a budget of Rs 360 million for 2018.

As per Chataut, the meeting will also hold discussions on preparing the policy documents, final bylaws, administration policy and human resources policy of the PDA as soon as possible.

Moreover, the previous meeting had also directed a sub-committee under the PDA to settle the issues related to water allocation and power purchase.

The Pancheshwar Multipurpose Project was conceived under the Mahakali Treaty between Nepal and India in 1996. Apart from generating electricity, the project will provide irrigation facility to 0.13 million hectares of land in Nepal and 0.24 million hectares of land in India in addition to other incidental benefits, including flood protection.

Source: My Republica; 4 Feb 2019

Setikhola hydel achieves financial closure

Parbat Paiyunkhola Hydropower Company Pvt Ltd has achieved financial closure to build Setikhola Small Hydropower Project (3.5 MW) in Parbat district.

According to a company statement, Siddhartha Bank Ltd and Garima Bikas Bank Ltd are financing the project based in Bihadi Rural Municipality.

“Raj Kumar Basyal of Parbat Paiyunkhola Hydropower Company, and Chandan Karki of Siddhartha Bank and Madhav Acharya of Garima Bikas Bank signed the agreement during a signing ceremony held in Kathmandu on Sunday,” reads a statement issued after the signing ceremony.

Siddhartha Bank Ltd is the lead financier of the project.

Construction works in the project site have already begun, Basyal told Republica. According to him, the project aims to start generation by the end of 2076 BS.

Source: The Himalayan Times; 6 Feb 2019

Power utility saves Rs 7 billion by reducing electricity leakage

State-owned Nepal Electricity Authority (NEA) has beaten its own target on electricity leakage, helping it to save over Rs 7 billion.

The power utility had set a target of limiting power leakage to 18.5 per cent of the total supply in the first five months of the current fiscal year. But in the five-month period from mid-July to mid-December NEA was able to reduce leakage to 15.45 per cent, beating its own target by almost three percentage points.

With this achievement, NEA's electricity leakage has dropped to the lowest level in its 33-year-old history.

"The reduction in leakage has helped us to generate extra income of around Rs 7 billion," said NEA Managing Director Kul Man Ghising.

The head office of NEA had given targets on leakage reduction to its distribution centres at the start of this fiscal year. The targets were set based on intensity of leakage, meaning distribution centres which were losing greater quantum of electricity to leakage were asked to take stringent measures to control leakage, while distribution centres where leakage was moderate were given less-stringent targets.

"Our strategy worked and we were able to beat our own target," said Ghising.

At present, 4.5 per cent of NEA's total electricity supply is going to waste through leakage in the transmission system and another 10.95 per cent of the power supply is going to waste through leakage in the distribution system.

NEA has installed high-capacity transformers, and upgraded the transmission and distribution system and substations to reduce electricity leakage. It has also been taking strict action against electricity theft to reduce leakages.

The measures taken so far to reduce leakage have helped NEA to generate profit. "Before I was appointed the managing director in fiscal 2015-16, NEA was incurring annual loss of Rs 8.9 billion. But since the last two fiscal years, we have been generating profit and the volume of profit has also started going up," said Ghising.

Source: The Kathmandu Post; 7 Feb 2019
Electricity Authority cuts grid losses to 15.45pc

The Nepal Electricity Authority slashed electricity leakage by 5 percentage points in the first five months of the current fiscal year. The state-owned power utility claimed that grid losses had dropped to 15.45 percent as of mid-December 2019 from 20.45 percent in mid-July 2018.

Ongoing improvements in the distribution network, timely collection of dues and strict theft control measures are the reasons behind the loss reduction, the Nepal Electricity Authority said.

The power utility is required to reduce losses to 18.45 percent by the end of the current fiscal year as per the performance contract signed by Managing Director Kulman Ghising with the Energy Ministry, but it exceeded the target within five months.

“This is an historic achievement,” Ghising told the Post. “It is the result of our effort to curb electricity theft and ongoing upgradation of the transformers, substations and transmission lines.” If the power utility is able to keep electricity leakage at 15.45 percent till the end of the fiscal year, it will translate into savings of Rs7 billion, according to Ghising.

According to the utility, around 10 percentage points of the losses totalling 15.45 percent are due to technical leakage while the rest is due to electricity theft. “In order to bring down power leakage further, we have to reduce theft besides making our system more robust by replacing old transformers and upgrading substations and power lines,” said Ghising.

Another reason behind the loss reduction is Ghising’s initiative to sign performance contracts with the chiefs

of the regional offices and distribution centres and giving them specific loss reduction targets. Just as Ghising has signed a performance contract with the ministry to reduce losses, he has signed similar contracts with his subordinates.

Officials achieving the targets set in the performance contract receive various cash and non-cash incentives while those failing to meet the target are considered inefficient and face action. As per the contract, the performance of the officials will be evaluated every four months.

The feat achieved by the Bhaktapur Distribution Centre in terms of loss reduction is phenomenal. The distribution centre brought down losses to 13.91 percent in the first five months of the fiscal year from a whopping 40 percent at the end of the last fiscal year.

Lagankhel Distribution has brought down losses by 8.59 percentage points to 6.41 percent in the review period.

The regional office in Hetauda was successful in reducing leakage to 6.66 percent from 13.91 percent in five months. The power utility's regional office in Kathmandu was able to reduce leakage to 7.79 percent in the first five months of the fiscal year from 7.94 percent at the end of the last fiscal.

Source: My Republica; 7 Feb 2019

Bheri–Babai Multipurpose Project

Tunnel construction to complete by end of February

SURKHET, Feb 7: Tunnel construction at Bheri-Babai Multipurpose Project, a national pride project, has come to the final phase. On Tuesday, the length of completed tunnel was 11,100 meters, out of the total 12,000 meters.

"With only 900 meters of tunneling work left, we hope to complete it by February 27," said Project Chief Sanjiv Baral.

Once the construction is over, it takes three more months to complete the final works of tunnel. "Soon after the finishing, work of powerhouse and dam construction will speed up," Baral added.

The project had earlier targeted to complete tunnel construction by March 2020. According to Baral, the target was achieved a year in advance because there was no obstruction in completing the works at Toli River, which was considered a risk zone.

The Chinese contractor of the project, China Overseas Engineering Group Ltd, had started tunnel construction work in November 2016.

The major objective of the multipurpose project is to generate 48 MW of electricity and provide irrigation to 51,000 hectare of land in Banke and Bardiya districts. Around 700 Nepalis and 80 Chinese workers are currently working with the project.

The project is expected to cost a total Rs 33.19 billion, according to the amended master plan for the project. The estimate includes construction of tunnel, dam, powerhouse, hydro-mechanical and electro mechanical works, among other works. Till date, approximately Rs 7 billion has been spent.

The master plan was amended by the Department of Irrigation, with a new target to complete the project by 2020.

"We are working with an aim of completing the project within the deadline set by the amended master plan."

Source: The Kathmandu Post; 8 Feb 2019

Bheri Babai tunnel is 92pc complete

The Bheri Babai Diversion Multipurpose Project has nearly finished digging a 12-km tunnel using a tunnel boring machine, a first in the country. The irrigation-cum-hydropower project had dug 11.1 km, or around 92 percent of the tunnel, as of Wednesday, putting it on track to complete the excavation more than a year ahead of schedule.

If the machine maintains the current pace of progress, the excavation of the tunnel will be completed by the end of March 2019, according to Sanjeeb Baral, the government appointed project chief of Bheri Babai. “We have constructed an exit platform at the other end of the tunnel from where the tunnel boring machine will emerge,” said Baral. The multipurpose project has also completed all the precast concrete segments that will be used for the tunnel lining.

The 12-km tunnel is one of the key components of the project as it will be used to divert water from the Bheri River to the Babai River to irrigate farmland and generate electricity. The irrigation component of the project is expected to be completed well before the deadline, but the construction of the second component—the hydropower plant—is yet to begin.

The project office recently started the public procurement process to appoint a contractor to implement the second component by publishing a notice inviting interested firms to apply for prequalification to construct the headworks, surge shaft, penstock and powerhouse. According to Baral, the multipurpose project is planning to complete the procurement process and appoint the contractor for the second component by the end of this fiscal year.

Bheri Babai is located in Bheri-Ganga Municipality in Surkhet district in western Nepal. It will have a 15-metre high dam and divert 40 cubic metres of water per second from the Bheri River to the Babai River. The water will be used to irrigate 51,000 hectares of land throughout year in Banke and Bardia districts and generate 48 MW of electricity.

Bheri Babai is one of the strategic projects of the country as it is expected to ease the food crisis in the mid-western region by increasing agricultural yield. The government had invited bids for the construction of the project in July 2012, but lack of resources and delays in the appointment of a contractor prevented the four-year project from getting off the ground. The construction of the project was finally inaugurated in April 2015 by the then prime minister, the late Sushil Koirala.

Due to delays in the project's implementation, the estimated cost of the project has swelled to Rs33 billion—more than double the original estimate of Rs16 billion. It is expected to make an indirect financial contribution of Rs3.1 billion annually to the state through irrigation, and a direct revenue contribution of Rs2.1 billion through electricity sales.

Source: The Rising Nepal; 8 Feb 2019

40% work of Upper Bhotekoshi hydel project over

Chautara, Feb. 8: The Upper Bhotekoshi Hydropower Project that suffered badly from the natural disasters and faced five years of closure has now grasped the momentum in its reconstruction bids.

Authorities said that around 40 per cent of the reconstruction works of the project have been completed so far.

The project with 45 megawatt of capacity located at Bhotekoshi Rural Municipality in Sindhupalchowk district and developed from the private sector remained close for almost five years following the Jure landslide of 2014, Gorkha Earthquake of 2015 and heavy flood in the river occurred in 2016. The reconstruction works of the project were started from the last fiscal year.

Executive Director Bikram Sthapit said that China's Sino Hydro is carrying out the reconstruction works with the contract agreement in Rs 7 billion targeting to complete the project by 2019. (RSS)