

Source: My Republica, August 15, 2020

Over 86 percent households have now access to electricity through national grid

KATHMANDU, Aug 15: About 86.44 percent of the households across the country now have access to the electricity transmitted through the national grid, according to Nepal Electricity Authority (NEA).

The government has been electrifying the places where national grid-distributed electricity has not reached through solar and micro hydroelectricity under the Alternative Energy Promotion Centre (AEPC). According to the Ministry of Energy, Water Resources and Irrigation, more than 90 percent of the country's population now has access to electricity.

“Only 62.16 percent of households were electrified in the fiscal year 2015/16 but within the last four years the number increased by 23.28 percent and reached 86.44 percent,” said Kulman Ghising, managing director at NEA. “We are moving forward with the aim to expand the reach of electricity to each household in the country within the next two and a half years. Necessary budget has already been allocated for this.”

The Asian Infrastructure Investment Bank (AIIB) is providing concessional loans to expand the reach of electricity through the national grid in Karnali and Sudurpaschim provinces.

The government has set a target of providing electricity service to each and every household of the country by 2022 and increase the per capita electricity consumption to 700 units within four years. Currently, the per capita electricity consumption stands at 260 units.

The data compiled by NEA shows that most households in Province 2 have access to electricity transmitted through the national transmission system, while Karnali Province has the least access to electricity. Some 99.5 percent of the total households in Province 2 have access to electricity, whereas only 34.74 percent households have been electrified in Karnali Province.

Some 30.57 percent of Karnali Province has been electrified through the national transmission system and 4.17 percent through the off-grid system. Of the ten districts of Karnali Province, the national grid has not reached Humla, Jumla, Dolpa, Kalikot and Mugu districts yet. The authority has been supplying electricity to these districts through micro hydropower plants. Ghising said that the electrification in Karnali Province is challenging due to its difficult geographical condition.

Bagmati Province has witnessed the second highest level of electrification with 94.44 percent electrification. Districts like Kathmandu, Bhaktapur and Nuwakot have been fully electrified. Sindhuli district has the lowest electrification rate with the coverage of barely 69.51 percent so far.

Similarly, Gandaki Province has 92.79 percent electrification, with districts like Syangja and Prapat fully electrified and Lamjung, Tanahun, Kaski, Myagdi and Baglung electrified by more than 90 percent. Province 5 has 91 percent electrification. Of the 12 districts in Province 5, Nawalparasi, Kapilvastu and Bardiya have been electrified by more than 99 percent. Gulmi, Arghakhanchi and Rupandehi have more than 95 percent electrification and Rukum East has the lowest electrification of 11.25 percent.

Province 1 has 82.43 percent electrification. Of the 14 districts in Province 1, the highest electrification is 97 percent in Dhankuta and the lowest is 13.55 percent in Solukhumbu.

More than 90 percent electrification has been accomplished in Jhapa, Morang and Sunsari districts.

In Sudur Paschim Province, 64.69 percent electrification has been accomplished so far. While Kanchanpur has the highest electrification rate at 92.79 percent, Bajhang has the lowest rate at 10.21 percent in the Province.

According to Ghising, the electricity consumer base of NEA in the last fiscal year had reached 4.2 million, which is 42 percent more as compared to the data maintained four years ago. The number now has reached 4.8 million in total including those from community and Butwal Power Company.

The government is planning to use micro-hydro, solar and wind energy with battery storage systems in places where the national grid's reach is not possible. Ghising said the government is making all possible efforts to achieve its goal of making electricity accessible to every Nepali people and to provide adequate, regular, reliable and quality electricity service to the consumers.

Source: My Republica, August 16, 2020

Energy Minister proposes increasing investment share of migrant workers in Dhunsakhola and Simbuwakhola hydro projects

KATHMANDU, Aug 16: Minister for Energy, Water Resources and Irrigation Barshaman Pun has directed concerned government officials to increase the share of Nepali migrant workers in the Dhunsakhola and Simbuwakhola Hydropower Project.

The directive comes in the wake of the government's preparation to increase the share size of Nepali migrant workers as compared to the one proposed previously.

Speaking at a meeting of the Citizen's Hydropower Project Program Operation and Management Committee on Friday, Energy Minister Barsaman Pun directed Hydropower Investment Development Company Limited (HIDCL) to take forward the process of increasing the investment percentage of remittances.

The responsibility to construct and bring both hydropower projects into operation has been provided to Remit Hydro, a subsidiary company of the Ministry of Energy, Water Resources and Irrigation. The ministry has already started the construction process through the company to build 77.5 MW Dhunsa and 70.3 MW hydro projects by investing the remittances sent by Nepali migrant workers.

Earlier, the investment concept for both the projects consisted of 30 percent investment from remittance and the remaining 70 percent from banks and financial institutions, development partners, locals and the general public. Minister Pun has directed the HiDCL to prepare modalities so that every Nepali living abroad can invest Rs 500,000 in the hydropower projects.

“We have felt that the share for Nepalis living abroad is less at the moment,” said Minister Pun. “If the share is increased, at least an interested individual can invest Rs 500,000 per person and the family of that person can benefit from the monthly income and the person will no longer have to go abroad for foreign employment.”

Arguing that the investment model of Dhunsa and Simbuwakhola Projects is remittance-based. Minister Pun said that maximum number of Nepalis living abroad should be included in the projects. He argued that those living abroad can come back and can have a source of regular income in the form of pension after returning to Nepal if the share size of migrant workers is increased.

Minister Pun also directed the company to find out the countries from which migrant workers will be able to invest in each of these two projects. “Nepalis living in any country can make the investment but decide on the countries from where people can invest in these two projects,” he said.

The process of detailed engineering study and Environmental Impact Assessment (EIA) of both the projects is already in the final stage. The project’s investment proposal has been sent to the Investment Board Nepal for approval. However, the projects are yet to sign a power purchase agreement with the Nepal Electricity Authority. A feasibility study has shown that an estimated Rs 21 billion investment will be required for the construction of these projects.

Source: My Republica, August 17, 2020

NEA to launch programs to increase domestic consumption of electricity

KATHMANDU, Aug 17: Minister for Energy, Water Resources and Irrigation Barshaman Pun has said that the Nepal Electricity Authority's (NEA) success has also added challenges.

Speaking at a program organized to mark the 35th anniversary of NEA on Monday, Minister Pun expressed a commitment to extend all the necessary support to make the organization stronger and more competitive. "It is challenging to provide reliable electricity to the consumers and to electrify the remaining 10 percent households. It is equally challenging to become self-reliant in electricity, consume more surplus electricity within the country and sell it in the international market in the future," he said, "We have heard complaints that electricity from some projects could not be connected to the grid as the construction of transmission infrastructures have been delayed.

He said that a power purchase agreement (PPA) would be signed with the private sector hydropower projects and an investment friendly environment would be created by finding a competitive market for electricity. Stating that the government will only build large reservoir and semi-reservoir hydropower projects, Minister Pun said that the country is set to be self-reliant in energy. He mentioned that the government has started the construction of 1,061 MW Upper Arun and 600 MW Dudhkoshi Hydropower projects.

Member of the National Planning Commission Krishna Prasad Oli directed the NEA to complete the under-construction projects on time and with the estimated investment,

improve the old structure and focus on expansion to provide quality electricity service to the customers.

Secretary at the Ministry of Energy, Water Resources and Irrigation Dinesh Kumar Ghimire said that NEA should operate according to the institutional development plan, improve the system and make it automated, cut costs, improve customer service and manage more electricity to maintain the image it has created by ending load shedding.

Kulman Ghising, managing director of NEA, said that some under-construction projects could not be completed on time due to various reasons despite continuous efforts. He also mentioned that many good deeds done by the organization will be overshadowed by this. “Days ahead are challenging for the NEA,” he said.

The Authority has declared this year as the year of increasing electricity consumption. In order to increase the consumption of electricity within the country, electric vehicle charging stations will be constructed and programs such as promotion of electric vehicles, promotion of lift irrigation and replacement of cooking gas with electric stoves will be conducted.

Source: My Republica, August 18, 2020

NEA makes an annual profit of Rs 11.6 billion

KATHMANDU, Aug 18: Nepal Electricity Authority (NEA) has managed to earn a profit of Rs 11.6 billion in the last fiscal year 2019/20, according to the financial statement made public on the occasion of its 35th anniversary.

The NEA has earned an accumulated profit of Rs 4.87 billion in the last FY. Similarly, it managed to earn a profit of Rs 1.47 billion, Rs 2.85 billion and Rs 9.81 billion in FY 2016/17, 2017/18 and 2018/19, respectively. Although the government had cleared NEA's loss of Rs 27 billion up to FY 2010/11, it continued to incur loss in the days to come. The organization was in Rs 8.89 billion loss in the FY 2015/16.

According to NEA, the leakage in the system has dropped to 15.27 percent. The authority has been continuously reducing electricity leakage in the subsequent fiscal years. The leakage which was 25.78 percent in FY 2015/16 was reduced to 22.9 percent in FY 2016/17, 20.45 percent in the FY 2017/18 and 15.32 in the FY 2018/19. With the reduction of 11 percent electricity leakage in four years, NEA has profited Rs 8 billion. NEA's Managing Director Kulman Ghising said that the plan is to reduce the total leakage of the system to less than 10 percent.

In the last one year, the share of electricity imported from India has decreased while the export from Nepal to India has increased. Of the 7.74 billion units of energy available in the system last year, 22.34 percent was imported from India.

“When there used to be load-shedding for up to 14 hours a day in the country, about 35 percent of the total electricity consumption in the country had to be imported from India. But even when electricity consumption increased by about 80 percent, the ratio of imports was around 35 to 37 percent,” Ghising said. However, up to the last fiscal year, only 22 percent of the total available electricity has been imported. “It will be reduced to only 5 to 10 percent in the current FY,” he added. He said that Nepal will be fully self-sufficient in electricity and net export will start from FY 2021/22.

The annual electricity consumption in Nepal has been steadily rising and has reached 250 units per person.

Ghising said that he was determined to make NEA’s business more effective and service-oriented by restructuring the organizational structure as per the demand of the time and circumstances. “The domestic, inter-country and sub-regional markets of electricity will be expanded and arrangements will be made for selling the electricity produced in the country without wasting it in the coming days,” he said, adding, “High priority will be given to automating the system and digitizing the organization to make the service provided by NEA effective, provide reliable and quality power supply by operating the system automatically and reduce the growing need of manpower using technology.”

Source: The Rising Nepal, August 18, 2020

IPPAN Elects New Executive Committee With Acharya As President

By TRN Online, Kathmandu, Aug. 17: The Independent Power Producers Association Nepal (IPPAN) elected its new executive committee on August 16 with Krishna Prasad Acharya as the president.

As per the unanimous agreement done on August 16, Acharya was indisputably elected as the President of IPPAN, Aashish Garg, Ganesh Karki, and Mohan Dangi were elected as the Vice President.

Likewise, Gore Sherpa was elected as the General Secretary and Bharat Bahadur Khatri, Balaram Khatiwada, and Ram Acharya as Secretaries and Aanand Chaudhary as the treasurer.

The new executive committee also comprises of Bharat Kumar Khadka, Prakash Dulal, Uttam Bhlon Lama, Bharat Lamichhane Thapa, Kabita Pokharel Kandel, and Abhigya Malla as the members.

Source: The Rising Nepal, August 18, 2020

NEA Becomes an Institution Fit To Be Proud Of: Minister Pun

Kathmandu, Aug. 18: Minister for Energy, Water Resources and Irrigation Barshaman Pun Monday said that the government was committed to ensure every household's access to power within two years. Addressing the 35th anniversary of Nepal Electricity Authority (NEA) today, Minister Pun said that the NEA had been pushing forward activities to make the country self-reliant in electricity and ensure power to all people soon. He urged the NEA management and its staff to work so as to ensure durable and reliable power supply to all people as per the government's plan. Minister Pun, who is the chairman of the board of directors of NEA, said that the authority had been working for power generation, durable power supply and management of surplus power by increasing domestic consumption and trading it in the international market. He said that financial health and the power supply system of the authority had been improved significantly over the last couple of years and it became an institution to feel proud among all in the country at present. The government has reduced the electricity tariff this year while the tariff used to increase in the past years which shows better performance of the NEA, he said. He said that the NEA would be self-reliant in electricity at the earliest. The cumulative profit of the NEA stood at Rs. 4.87 billion in the last fiscal year while its cumulative loss was Rs. 34.61 billion four years ago. "The NEA has become the first institution in the power sector due to its monopoly in the domestic market. The NEA should be a more commercial and competitive institution among the regional and worldwide market in the field of power trading," he said. With the formation of a stable government and promulgation of constitution, the management of the NEA has been able to work freely and without any interference of the government, he said. Pun assured the private power producers that the government would purchase power from them and the NEA would manage the market for power consumption. He, however, said that the private sector producers should be competitive in power generation.

Foreign investors are still showing their interest in investing in the hydropower projects in Nepal even during the lockdown and COVID-19 pandemic, he said. Member of National Planning Commission Dr. Krishna Prasad Oli stressed improvement in electricity distribution to ensure reliable and durable power supply for consumers.

“We have to promote power consumption in the domestic market by discouraging fuel consumption in cement and other industries, replacing LPG and irrigation area,” he said.

Secretary at the Ministry of Energy, Water Resources and Irrigation Dinesh Kumar Ghimire said that the government and the NEA had set a target to ensure everyone’s access to power within two years as around 90 per cent of people have been connected to power grid at present. The management of surplus power has become challenging for the NEA, he said, adding that NEA should trade power in competitive ways to manage surplus power.

NEA earns profit of Rs. 11.05 billion

NEA managing director Kulman Ghising said that NEA has earned a net profit of Rs. 11.05 billion (before tax) in the fiscal year 2019/20 which is 12.64 per cent higher compared to the profit of previous fiscal year. The power leakage dropped to 15.27 per cent by the last fiscal year while it was 25.78 per cent four years ago.

About 86.44 per cent of the households have benefited from the electricity supplied through the national grid system at present. Per capita electricity consumption has increased to 260 watts at present while it was only 131 four years ago, he said.

The power consumption has increased by 75 per cent in four years. Even though power consumption has increased, the import of energy from India dropped to 22 per cent from the existing 35 per cent to meet energy demand. As per the plans to export power, the NEA exported 107 million units of electricity in the last fiscal year which reflects Nepal is moving on the path of self-reliance in power supply.

Power generation increased by 57 per cent to 1,257 MW in the last four years. The hydropower projects with capacity of 3,000 MW are under construction, Ghising said, adding that NEA expected that around 1,300 MW power would be connected to the grid in the current fiscal year. The clients of electricity have reached 4.8 million including the customers of the

community.

He said that the NEA had been focusing its attention to make it digital NEA.

Source: Kathmandu Post, August 18, 2020

Landslide damage holds up Kali Gandaki transmission line project

The delay means that 19 megawatts produced by the Thapa Khola and Ghalemdi plants will go to waste.

The construction of the Kali Gandaki Transmission Corridor Project has been pushed back by another three months after a landslide felled a pylon on the Dana section between Annapurna Rural Municipality and Kushma Khurkot, Parbat district.

The delay means that nearly 19 megawatts generated by Thapa Khola (13.6 megawatts) and Ghalemdi (5 megawatts) will go to waste.

The landslide brought down the tower at Jaljala Rural Municipality in Parbat. The collapse has caused a loss of Rs20 million to the project. According to project officials, it will take at least three months to build a new tower.

There are 114 towers along the 42-km-long Dana-Kusma section of the 220 kV power line. As per officials, 16 towers are located in a high risk zone.

Before rain-triggered landslides destroyed part of the transmission line, the project was hamstrung by Covid-19 restrictions.

Yadav Neupane, assistant project manager, said a survey had been done to shift the location tower that fell down.

"We have started a new tender process as there will be more problems if the endangered poles are not protected immediately," he said. Studies are also being done to erect a new tower instead of the collapsed one, he said.

According to the project, the contractor company has submitted a proposal to replace the pole with a Lilo Line pole near Galeshwor to speed up the transmission line project.

The Lilo Line is a link line to connect the electricity produced by the 42 megawatt Rahughat Hydropower Project in Galeshwor to the 220 kV transmission line.

The project's completion deadline expired for the fourth time on March 30. The workers and technicians who went home following the lockdown were not able to return to work, paralysing the project.

The finishing work is being done with the help of around 110 workers, the contractor said.

The Beni-Jomsom road being built in the Kali Gandaki Corridor has been blocked due to obstruction by locals, the virus lockdown and landslides. The Beni office of the project has stated that 97 percent progress has been made on the economic side and 99 percent on the physical side.

The Nepal Electricity Authority had awarded a contract worth Rs2.90 billion for the construction of the Dana and Khurkot 220 kV, 132 kV, 33 kV and 11 kV Kali Gandaki corridor transmission lines and substations jointly to Tatachint joint venture, consisting of Indian company Tata and Chinese company Chint.

An agreement was signed between the project and the contractor on May 30, 2016 to complete the construction in November 2018. The project has not been able to complete the work even after the deadline was extended by a year.

The Kharkut-Bardaghat section of the transmission line will be connected to the Kali Gandaki Corridor covering Mustang, Myagdi and Myagdi Khola Corridor to cover the Myagdi Khola Reservoir Area, Modi Khola Reservoir Project in Parbat and the electricity generated from various hydropower projects in Waglang.

After the construction of the Kali Gandaki Corridor transmission line, 42 megawatts from Mistri Khola, 42 megawatts from Rahughat, 14 megawatts from Upper Kaligand, 146 megawatts from Kaligand, 38 megawatts from Nilgiri, a total of 450 megawatts of Kowang-Kaligandh electricity will be connected.

Similarly, electricity produced by Upper Rahughat (48.5 megawatts), Upper Kali Gandaki (72 megawatts) and Darwar Khola (25 megawatts) is planned to be connected to the 220 kV Kali Gandaki Corridor transmission line.