Water and Energy Consultant Association Nepal(WECAN), 10<sup>th</sup> Annual General Meeting 2019, Kathmandu, Nepal.

Presentation on
Role of WECAN in Promotion of Mini/Small
Hydropower Projects in Federal Context of Nepal

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#### **WECAN Introduction**

- Consulting Companies/Individual Experts
- Total 84 Members
- Member Consulting Firms/Consultants working at National and International Level.
- We are planning to develop WECAN as Brain Centre of Nepalese Engineers
- Coordination with all Stakeholders
- Established in the Year 2009
- Web: wecan.org.np, email: info@wecan.org.np

## Objective of WECAN

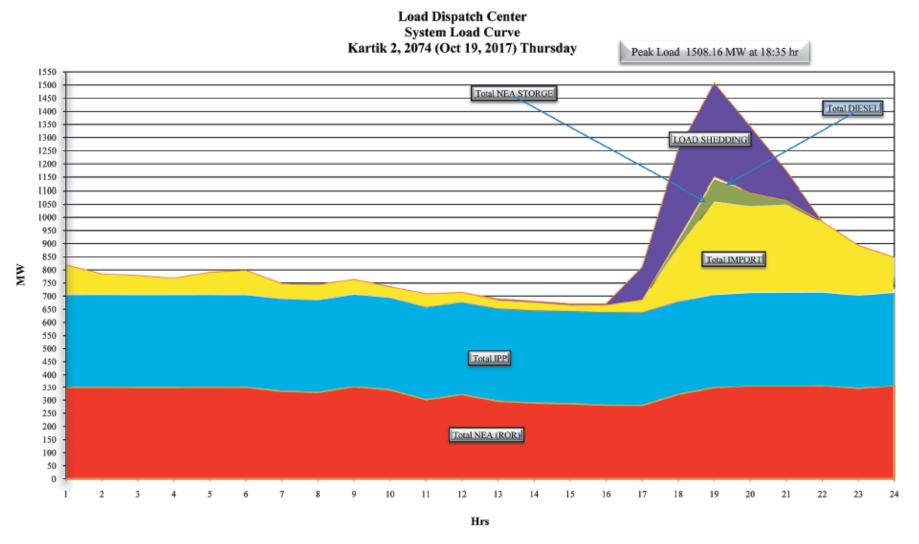
- Supporting Consultant's Values, rights and maintaining professionalism.
- Coordinating at national and international level for carrying out seminars, workshops, training and consulting services.
- Creating awareness about the importance of water and energy by media.
- Creating WECAN fund internally involving consulting firms and individual consultants so that it can support for strengthening the technical capability of water and energy sector within the country.
- Creating a common platform for all water and energy consultants working within and abroad country so that it could even support for long term economic development of the country.

## Strategies

- Conducting Trainings, Workshops, Seminar and exhibitions to meet the technical demand within and outside the country in small hydropower sector.
- Coordination and cooperation at Government and Non Government Level in Water and Energy Sector.
- Coordination and Cooperation with different organization(DoED, NEA, AEPC etc) for carrying out consulting service of small hydropower projects.
- Coordinating other organizations and individuals with similar objectives working directly or indirectly working outside the country.

Overview of the Energy Sector

#### System Load Curve of Peak Load Day



No Load Shedding after 14<sup>th</sup> May 2018.

## **Energy Consumption Status**

- Per Capita Electricity Consumption: 150 kWh.
- Access to Electricity:75% (60% grid(NEA), 15% renewables(AEPC)).
- Electricity as % of total energy consumed: 4%, mainly from Hydropower.

Source: SUDIGGAA 2018

## Classification of Hydropower

- Pico Hydro: <10 kW</li>
- Micro Hydro: 10-100 kW
- Mini Hydro: 100kW- 1000 kW.
- Small Hydro: 1000- 10000 kW.
- Medium Hydro: 10000-50000 kW.
- Large Hydro > 50000 kW.

# Key Agencies Involved

Ministry of Energy, Water Resource and Irrigation.	Policy/Planning and Approvals.
Department of Electricity Development	Government Interface with Private Sector.
Water and Energy Commission	Policy, Monitoring and Coordination.
Nepal Electricity Authority	Utility, Sole Power Purchaser, Grid Owner/Operator.
Tariff Fixation Commission	Fixes the tariff
Ministry of Environment	Environmental approval/clearances.
Investment Board	Promote HP Projects>500 MW
Alternative Energy Promotion Center(AEPC)	Responsible for Off Grid RE based electrification.
Private-Sector Financers	Banks, Financial Institutions(FIs)
Private Developers	Mainly Generations

## Three tier of Government in Nepal.

- Central or Federal Government based in Kathmandu, the Capital.
- 7 Provincial Government.
- 753 Local Governments which include 6
  Metropolitan Cities (Mahanagarpalika), 11 Sub
  Metropolitan Cities (Upa-Mahanagarpalika),
  276 Municipalities (Nagarpalika) and 460
  Rural Municipalities (Gaunpalika).

## Federal Map of Nepal



# Province wise summary of identified mini hydropower sites up to 1 MW.

S.N	Province	No of local bodies	No of sites identified.	Power (MW)
1	Province 1	56	84	66.11
2	Province 2	-	-	-
3	Province 3	53	81	64.44
4	Province 4	29	54	45.14
5	Province 5	23	38	26.99
6	Province 6	60	102	94.75
7	Province 7	56	97	86.12
		277	456	383.56

Source: SUDIGGAA 2018

## Licensing arrangement of Mini Hydropower

- Survey License
  - -Desk Study report showing the project boundary and major project components in topographic map of 1:25000 or 1:50000.
  - Hydrology: Probability of exceedence Q45% (Grid Connected) and Q80% (Off Grid).
  - -License Fee Rs 5 Lakhs.
  - -Issuing agency Local Body after technical clearance from DoED.
  - -Duration of License 2 Years, but in case of extension requirement in the study/investigation, additional one year can be added.

- Generation/Transmission/Distribution License.
  - IEE/EIA as per condition and location of the site.
  - Power Purchase Agreement(PPA) or Connection Agreement.
  - In case of off grid projects-Details of area to be electrified.
  - Topo Sheet showing the major project components and coordinates.
  - Financial Closure Arrangement Documents (Equity and Loan proportion)
  - The construction has to be started within 3 years after issuing of Generation License.
  - Duration of license period is 35 years after that it has to be hand over to Government under running condition.
  - Royalty(Capacity and Energy) is decided by the local government.

## Present Practice of Consulting Works

	IPP's Projects	<b>AEPC Projects</b>	Remarks
	Preliminary/Desk Study		For Licensing.
	Feasibility Study	Feasibility Study	
Small/Mini	Environmental Study(IEE/EIA)		
Hydropowe r Projects	Detail Engineering Design		
TTOJECIS	Tender Document Preparation Works.	Tendering Works.	
	Construction Supervision(Firm)		
	Performance testing	POV Testing.	

 Poor Engineering results in huge variation of the quantity, quality, cost and time during the construction stage. (Sick Projects)