

NEA signs purchase agreement with two micro-hydro projects

By A Staff Reporter

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Nepal Electricity Authority (NEA) has signed Power Purchase Agreement (PPA) with two micro-hydro projects to link the power generated by them into the national grid.

This is the first PPA of NEA with micro-hydro projects. The Alternative Energy Promotion Centre (AEPCC) under the Ministry of Population and Environment has been coordinating with NEA to connect the power generated by the micro-hydro projects into the national grid for the last couples of years.

NEA has signed PPA to purchase power generated by Sauryabhumi Micro-hydro project (23KW) and Leguwa Khola micro-hydro project (40KW) recently, according to AEPCC.

Sauryabhumi micro-hydro project of Sikre Village Development Committee

of Nuwakot and Leguwa Khola micro-hydro project of Marek Katahare VDC of Dhankuta district constructed under APEC in government's assistance.

The PPA rate has been set at Rs 8.60 per unit for dry month and Rs 4.80 during wet months. Likewise, the PPA rate will be revived by 3 per cent yearly for five times.

Although those projects were constructed in 2070 BS, the NEA has just agreed to purchase power generated by those projects, read the press statement.

Currently, around 666 household benefit from the projects.

Chairman of Leguwa Khola micro-hydro cooperative limited Yatna Bahadur Katuwal said that the project will operate round the clock after the PPA.

"The project will be financially strong and operate

continuously in future due to money from the NEA," he said.

Executive Director of AEPCC Ram Prasad Dhital said that this PPA will play role to develop micro-hydro projects in the country as this task assured the private investor to invest in the micro-hydro projects freely.

He stressed the need of enhancing the capacities of concerned bodies for the development of micro-hydro projects which is potential to connect into the national grid.

Dhital said that the government should manage required resources to connect the possible micro-hydro projects into the national grid.

With the completion PPA of two projects, the door was open for more than 1,500 micro-hydro projects across the country to connect into the national grid.