



Tanahu Hydropower Limited

(A subsidiary company of Nepal Electricity Authority)

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Inside this issue

• Present Status

• Future Course of Action

PRESENT STATUS

Bidding Process:

- THL concluded the pre-award discussion including interface agreements and signed the Memorandum of Understanding (MoU) with the successful Bidder of Package -1 on 8 July 2018. Subsequent to the approval from the ADB and THL Board, Letter of Acceptance was issued to the selected Bidder on 23 July 2018.
- Similarly, THL also concluded the pre-award discussion including interface agreements and signed the MoU with the successful Bidder of Package-2 on 12 July 2018. Subsequent to the approval from the ADB and THL Board, Letter of Acceptance was issued to the selected Bidder on 23 July 2018.
- THL issued the IFB notice for Package 3 (220 kV DC Transmission Line from Damauli to New Bharatpur Sub-station) on 12 July 2018 giving 45 days for bid submission.

Safeguard activities:

ADB Review Mission

A mission of the Asian Development Bank (ADB) visited Nepal from 10 July to 13 July 2018 to review the implementation progress of the Tanahu Hydropower Project. The Mission held meetings with officials from Tanahu Hydropower Limited (THL). Wrap-up meetings with Ministry of Finance (MOF), Ministry of Energy (MOE), and Nepal Electricity Authority (NEA) have been held on 13 July 2018. This Aide Memoire was prepared summarizing major findings and understandings reached between THL and the Mission.



ADB Review Mission

Environmental Safeguard

Supplementary Environmental Baseline Report: The report provides the results of the updated baseline survey on air, noise and water quality carried out from July 2017 to June 2018. This report currently covers the hydropower generation system (dam and reservoir components) of the THP.

Consolidated EMP: The Consolidated Environmental Management Plan (EMP) of the project has been prepared defining project environmental management measures and procedures in order to ensure that all mitigation measures and monitoring requirements specified in the Environmental Impact Assessment (EIA, 2009), Environmental Addendum (2012) and Supplementary EIA 2017 will be implemented during each phase of project implementation and operation. The EMP outlines the organizational structure of the Environmental and Social Management Unit within Tanahu Hydropower Limited (THL) and describes the main roles and responsibilities of the Parties involved in project environmental management. Forest Management Plan, Wildlife and Watershed Management Plan, Water Release and River Safety Management Plan and Fish Conservation Management Plan are attached as annexes in this report.

Consultation Meeting with Local Level Government

The Consultation Meeting with Local Level Government was held on 19 July 2018 in the presence of

- Chairperson of District Coordination Committee(DCC);
- Chairperson and Deputy Chairperson of Myagde Rural Municipality;
- representative from Rising Rural Municipality;
- Mayor of Bhimad Municipality;
- representative from Forest Office;
- Chief of District Technical Office;
- ESMU Team of THL.

The meeting coordinated by District Coordination Committee, Tanahu focussed on IEE Report prepared by the Bhimad Municipality, Rising and Myagde Rural Municipalities for excavation of quarries at the reservoir area of the project.



Meeting of THL with Local Level Government

Land Acquisition of Beteni

Land acquisition process of Beteni area for labour camp facilities and access road to dam site has reached the final stage. The sub-committee formed by Compensation Distribution Committee (CDC) has completed the Detail Measurement survey (DMS) with the consultation of APs and submitted the report to the CDC.



Consultation with APs by sub-committee

Community Water Supply Project

The pipe laying works of Jhaputar Water Supply are on-going from the intake to the water collection chambers. Out of two reservoir tanks, one water collection tank of size 20,000 litres has been constructed. Pipe laying works are also being carried out for distributing water to the individual households.



Jhaputar Water Supply Project

Forest Management Plan

The draft agreement for forest clearance has been prepared. THL is in intensive discussion with the DFO for finalization of the draft agreement. The draft agreement includes integrated approach and methodology, implementation arrangements and schedule for forest clearance, nursery development, and afforestation program.

Fish Biodiversity

Draft fish conservation management plan in Seti and Madi rivers under Tanahu Hydropower Project was prepared by the fishery expert- bridging consultant with the assistance from the Environment Specialist of PSC. Strength and limitations of the plan were discussed during the ADB Review Mission. Main objective of the proposed plan is to ensure the conservation of migratory fish species under IUCN Red List. Three prongs activities namely establishment of fish hatchery, experimentation of a catch and haul system and fish habitat protection in Seti and Madi Rivers have been emphasized to mitigate the possible adverse impacts

on fish fauna diversity. Detailed schedule to execute each activity has also been projected.

Bridging Consultant

The Bridging Consultants comprising of Environmental, Fisheries and Social Safeguard Specialists have been engaged in the site to undertake all required preparatory measures as mentioned in Environment Management Plan (EMP) and to monitor pre-construction works as required until the Environment and Social Management Service Provider (ESMSP) is mobilized. During the reporting period, baseline monitoring, compliance monitoring have been progressing on water quality sampling, forest and wildlife survey, downstream sensitivities survey. The Bridging Consultants are also being engaged in preparation of the fish management plan and forest management plan.

Environment and Social Management Service Provider (ESMSP)

A pre-proposal meeting was held on 20 July 2018 to clarify the technical and procurement aspects of the Request for Proposal (RFP) documents. The proposal submission deadline has been extended till 5 August 2018.

Grievance Registration and Readdress

The project site office and LCFs have been registering grievances raised by affected as well as local people. The registered grievances so far focus mainly on following issues:

Summary of Grievance Registration

S.N.	Type of Grievance	Number	Remarks
1.	Missing of tree counting /Compensation of trees planting in public land near their registered land/Crop	30	3 grievances have been addressed, whereas 7 grievances are being processed.
2.	Missing of item in property valuation/ Land remaining less than 1 ropani	20	13 grievances have been closed, whereas evaluation of 7 grievances is underway.
4.	Low valuation of structure	13	9 grievances have been addressed and remaining grievances are on further discussion.
5.	Insurance	1	The process will be initiated shortly.
7.	Request to THL to provide Identity Card to all Affected Families	1	256 numbers of Identity cards have been distributed to Affected Families and process is going on.
8.	Electricity	6	4 grievances have been addressed and remaining grievances are on discussion
9.	Compensation	4	3 grievances have been addressed.
10	Other supports	5	Consultations are underway.
Total		81	

The LCFs in coordination with the project site office are working continuously for addressing the registered grievances.

Project Preparatory Works

Access Roads

Access Road from Chapaghat to Dam Site Area (3,234)

The construction of access road from Chapagaht (0+000) to the entry of the Dam Site (1+900) has been completed. Track opening in the remaining section of the road towards the dam site will be initiated soon after the acquisition of some plots of private land along this alignment.

Access Road from RCC Bridge to Powerhouse (3314m)

Access Road from RCC Bridge to Powerhouse has been completed. Taking over certificate has been issued on 2 May 2018. Deflects Liability Period is 365 days.

Camp Facilities

All together 33 nos. of buildings (2 nos. of office buildings for employer and consultants, 2 nos. of residential building of type A, 12 nos. of residential building of type B, 10 nos. of residential building of type C, 2 Dormitories, 1 Guest house, 1 health post, 2 restaurants and 1 guard house) are to be constructed for camp facilities. Brickworks, plastering, painting and other finishing works are being continued. This package is schedule to complete in second week of October 2018. As of July 2018, about 86% physical works and 68% of financial progress have been achieved in construction of camp facilities.



Camp Facilities

Construction Power Sub-Station

The construction of power substation nearby the camp site was completed in January 2018 and is in operation in normal condition.

Lower Seti Hydropower Project

The evaluation of Expression of Interest (EOI) applications has been completed by the evaluation committee of THL. Meanwhile, the committee has started preparing Request for Proposal (RFP) documents including detailed Terms of Reference (ToR). It is expected that the required documents under submission 1 will be submitted to the ADB by the end of August 2018.

Licenses

- THL has received construction license of 220 kV DS Transmission Line from Damauli to New Bharatpur Sub-station.
- THL will submit the application for the Survey License of Generation to DoED for 1.9 MW environmental flows generation plant shortly.
- THL has received the survey license of generation of Lower Seti (Tanahu) Hydropower Project with the installed capacity to 104MW.

FUTURE COURSE OF ACTION:

PROCUREMENT ACTION

Engagement of ESMSP: Contract agreement with ESMSP will be signed by end of December 2018.

Award of Contracts for Main Packages: Contract Agreements with both Package-1 and Package-2 will be signed by the end of August, 2018 upon receipt of performance security from the successful Bidders.

SAFEGUARD ACTION

Update of RIPP: The final updated RIPP will be submitted to the ADB for their review by the end of September 2018.

Compensation Distribution: About 95% of total affected families have already received the compensation payments and remaining compensation payment of reservoir area is on-going. Compensation distribution for Betini area will be initiated soon after declaration of the compensation rate by the CDC.

Community Consultation: Community consultation is planned for once in every two month at each LCF. Booklet and Leaflet of the project, which include salient features, FAQ and information on present status and safeguard activities of the project, are being distributed to all stakeholders,. Local media are also being mobilized to disseminate project related information.

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