



Tanahu Hydropower Limited

(A subsidiary company of Nepal Electricity Authority)

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PRESENT STATUS

Bidding Process:

- Price negotiation between the Lowest Evaluated Bidder for the Package 1 and THL as supported by PSC and ADB has been concluded and the THL committee/PSC is finalizing the negotiation report.
- After two rounds of pre-award discussion with the Lowest Evaluated Bidder of Package-2, THL is reviewing the documents submitted by the Bidder on the issues raised during pre-award discussion.
- THL has received the concurrence for Cost Estimation and Bid documents for Package-3 (Transmission Line) from the ADB on 29 May 2018.

Safeguard activities:

Forest Management Plan

Tanahu Hydropower Project will result in the loss of **417.3** Ha of forest habitat as flooded by the reservoir, in the dam area and along access roads. Trees will obviously have to be cut down and scrub vegetation cleared, so that the construction of the project can proceed unencumbered. As a standard practice for hydropower projects, a Forest Management Plan has been prepared with different approaches to compensate for the loss of trees. These include regulatory approaches which are considered as the best practices in forest management related to hydropower projects. The overall objective is to replace the trees lost to the project and to enhance watershed functions, which include all benefits associated with a properly functioning watershed, such as full vegetative cover, retention of soil, reduction of flash floods and provision of suitable habitat for a wide range of animal and plant species. The plan includes integrated approach and methodology, implementation arrangements and schedule for forest clearance, nursery development, afforestation program etc.

A regular safeguard meeting was held on 25 April 2018 at Site Office of the Project. The Bridging Consultant/THL has been consulting regularly with District Forest Officer of Tanahu for finalization of draft agreement for forest clearance.

Gender Equality and Social Inclusion (GESI)

As per the provision of Project Administration Manual (PAM), THL will be implementing the Gender Equality and Social Inclusion (GESI) program for project affected people. As decided during a meeting with the ADB GESI Team on 17 April 2018, the training program of "Gender Equality and Social Inclusion" was conducted on 16 May 2018 at Rising Patan, Bhimad. A total of 92 affected people of the reservoir area participated in the Program, which was accomplished in the presence of Mayor of Bhimad, Municipality, Ward Chairperson of Bhimad, Municipality along with the GESI team from ADB and THL staff. The entire participants from the project affected area were engaged on the full day long program, where they put forward their opinion on the project, share their views on the trainings on Plumbing and Electrician was



GESI program at Bhimad

conducted by THL at Bhimad and show their interests on need based training in future.

Safeguard Awareness Program

Along with GESI, Environmental and Social Orientation Program was conducted by ESMU on 16 May 2018 at Rising Patan, Bhimad Municipality. The main objective of the program was to make local people aware on environmental safeguard issues, the existing environment conditions of the project area, potential impacts due to project activities during construction and operation phase. The project provided detail information on potential impacts on physical environment, biological environment and socio-economic and cultural environment with focus on losses of community forest area, trees and forest resources and also highlighted on mitigation measures to be carried out by the project

Fish Biodiversity

Nine different sampling stations were surveyed for aquatic life in Seti and Madi river in the project area. Nineteen fish species were collected with the help of local fishers using caste and gill nets. Each specimen was identified up to the species level. Total length, standard length, girth, head length and weight were measured for each specimen and recorded. Availability, abundance of each species was compared with the record of previous months. Specimens were preserved in 5% formalin for further final/ confirmative identification. Each specimen was photographed. Most of the fish species collected during the field survey have



Concentration of solid waste in Seti River at upstream of Proposed reservoir

economic value as food, medicinal, recreational and aesthetic purposes. Out of 19 species three species (Tor putitora, Tor tor, Neolissochilus hexagonolepis) are migratory and categorised as endangered and nearly threatened in IUCN red list. Plankton samples were also collected from each station with the help of plankton net. The collected plankton samples were preserved in 5% formaldehyde for identification and lab analysis. In addition, limnological parameters such as dissolved Oxygen, dissolved Carbon dioxide, pH, Hardness and Alkalinity were measure in situ. A significant impact of rapid expansion of Pokhara, Lekhnath, Bhimad and Damauli was clearly observed in sampling stations. Plenty of solid waste materials such as plastic bottles, tire and tubes and several used items were noticed as shown in the photograph. Air temperature and surface water temperature were also recorded.

Land Acquisition of Betini

THL has started the preliminary process to acquire land of Betini for labor camp facilities and access road to dam site. Preliminary notice for the acquisition of land plots along the road alignment has been published. The Compensation Determination Committee chaired by Chief District Officer of Tanahu has formed sub-committee on 25 April 2018 to recommend land value and structure for compensation payment. The Sub-committee has been working on Detail Measurement survey (DMS) with the consultation of APs of Betini area.

Community Water Supply Project

THL has concluded an agreement with Water Supply and Sanitation Consumer Committee on 26 February 2018 for the construction of Jhaputar Water Supply Scheme for serving drinking water to APs of Jhaputar, Risin Rural Municipality. The construction of the storage reservoirs and laying out of HDPE pipes are underway. From this scheme, about 300 affected families will be directly benefited with portable water supply.

Community Meeting

As recommended by the ADB Social Safeguards Mission (13-17 November 2017), community meetings with the stakeholders are being continued. Issues regarding social safeguard and environmental monitoring were discussed during these meetings.

Meeting of Local Consultative Forum (LCF)

As per provisions of Draft Resettlement and Indigenous People Plan (RIPP)-2012, Local Consultative Forums (LCFs) have been established at project affected Rural Municipalities and Municipalities. A consultation meeting was held at the site office of Damauli on 15 Feb 2018 on the issues of acquiring/leasing the land of Betini area, project progress, grievances of APs in the presence Mayor, Deputy Mayor, Ward Chairperson, other members of LCF, THL and APS. The issues on compensation payment and use of land have been discussed. After collection of applications from APs for Livelihood Support and Income Generation Assistance, THL has been distributing the payments starting from the first week of May 2018.

Operation of Public Information Centre (PIC)

The Public Information Centre (PIC) has been established at Rising Rural Municipality.

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)

ADB has given the no objection for the EOI Evaluation Report along with draft Request for Proposal (RFP) for engagement of ESMSP on 7 May 2018. It is expected that RFP will be issued to short-listed firms by the first week of June, 2018 after approval from the THL Board.

Grievance Registration and Readdress

The project site office and newly established 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	15	14 nos. of registration are rechecked and evaluation is going on
2.	Missing of item in property valuation	4	All nos. of registration are rechecked and evaluation of missing properties is going on
3.	Land remaining less than 1 ropani	6	All registration has been addressed
4.	Low valuation of structure	4	It is on discussion
5.	Compensation of trees planting in public land near their registered land	6	All nos. of registration are rechecked and evaluation of tree is going on
6.	Request to THL to provide Identity Card to all Affected Families	1	Identity card to Affected Families has been already printed and distribution is going on.
Total		36	

The LCFs in coordination with the project site office are working continuously for addressing the registered grievances. THL has started distributing the identity cards to the project affected families.

Project Preparatory Works

Access Roads

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

The construction of access road from Chapagaht to the entry of the Dam Site 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 the alignment.

Access Road from RCC Bridge to Powerhouse (3314m)

The construction of the access road from the RCC Bridge to the powerhouse has been completed with Double Bituminous Surface Treatment (DBST). The final progress certificate has been submitted to THL and accordingly Taking-over certificate also has been issued.



Access Road from Betini Patan towards PowerHouse

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 and other finishing works are being continued.

As of May 2018, about 75% physical works and 65% of financial progress have been achieved in construction of camp facilities. It is expected that the Contractor will complete two office building and two other residential buildings by the end of June 2018.



Construction of Camp Facilities

Construction Power Sub-Station

The construction of power substation nearby the camp site was completed in January 2018 and was successfully charged. However, on 20 April 2018, a sudden heavy storm and lightning stroke caused an electrical fault on Damauli-Jaruwa 33 kV Transmission Line near Jaruwa, thereby damaging the sub-station equipment. Repair of damaged equipment has been completed and substation has been recharged.

Power Purchase Agreement

NEA and THL have signed the draft PPA on 29 May 2018 for purchase of energy generation from Tanahu Hydropower Project. Upon approval of the draft PPA by the respective Boards, the PPA will be signed.

Lower Seti Hydropower Project

A notice for Expression of Interest (EOI) was published in national the newspaper "The Rising Nepal" as well as on website of ADB (<http://cms.adb.org>) on 11 April 2018 for the Detailed Engineering Design and Preparation of Bidding Documents. Nineteen applicants have submitted their EOIs by the deadline for the submission of Eoi applications (25 May 2018) and the Eois evaluation is initiated,

As per the contract agreement made with the Engineering Services of NEA, the survey team of NEA has been mobilized to the site for the detail topographical mappings in the project area

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. ADB has agreed to provide the grant assistance of about 3.5 Million USD for the detailed design and tender documents preparation under Project Preparatory Facility for Energy (Grant 0361-NEP).

FUTURE COURSE OF ACTION:

PROCUREMENT ACTION

Engagement of ESMSP: After the approval of the EOI Evaluation Report and RFP documents from the THL Board, THL will issue the RFP documents to the shortlisted firms in the first week of June 2018.

Award of Contracts for Main Packages: After receipt of no objection on the Price Negotiation Report from the ADB/EIB and final approval from the THL Board, the Lowest Evaluated Bidder of Package -1 will be invited for pre-award meetings particularly for interface agreement. Pre-award discussion with the Lowest Evaluated Bidder for Package- 2 will be continued after review of their responses on the issues raised during the first round of pre-award discussion. The draft Contract Documents prepared by THL /PSC have been sent to JICA for review.

Power Purchase Agreement: It is expected that PPA will be concluded with NEA in the month of June_2018 upon approval of the draft PPA by the respective Boards of NEA and THL.

SAFEGUARD ACTION

Update of RIPP: The draft updated RIPP has been submitted to the ADB for their review.

Compensation Distribution: About 95% of total affected families have already received the compensation payments including vulnerable allowance, Livelihood support and Income Generation Assistances for land within the reservoir, camp and access road area. So far, about NRs. 1,110 Million has been distributed to the affected HHs.

Community Consultation: Community consultation is planned for once in a month at each LCF.

Preparation of Booklet and Leaflet: Leaflets of THL are being distributed to all stakeholders. The texts of the leaflet mainly focus on introduction and salient features of the Project, FAQ part, progress status till date on pre-construction as well on safeguard works.

Local Media Mobilization for Information Dissemination: As scheduled, local media, both print and electronic, especially FM radios of Tanahu District are being mobilized to disseminate project related information.

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