

Nepal Electricity Authority plans to end industrial load-shedding from mid-May

Nepal Electricity Authority is planning to end industrial load-shedding from mid-May as the utility will be able to supply power as per demand from the wet season onwards.

It will be able to sustain the supply during winter as well as the 456-megawatt Upper Tamakoshi Hydroelectric Project will start generating power by the end of this year and some private sector projects will also be completed, according to Kul Man Ghising, managing director of NEA.

Currently, the power utility has been cutting electricity to industries for three hours a day during peak time to meet the domestic demand from available electricity supply. However, NEA Managing Director Ghising said industrial users would also get regular power to operate industries after three months.

NEA had announced elimination of load-shedding for domestic users from mid-April 2017. The power utility has taken various measures to optimise available electricity by controlling leakage and encouraging the use of LED lights, among others.

Currently, the peak time load is around 1,300 megawatts whereas supply stands at around 964 megawatts. Electricity generation from snow-fed rivers goes down to one-third of the installed capacity of run-of-the-river hydropower plants and most of the hydroelectricity projects are of this type.

Elimination of load-shedding in the industrial sector is expected to boost industrial output. Capacity utilisation of Nepali industries picked up in the last fiscal as electricity supply to industrial units improved. According to a study carried out by Nepal Rastra Bank in major industrial blocks, namely, Kathmandu, Biratnagar, Birgunj, Janakpur, Pokhara, Butwal, Nepalgunj and Dhangadi, the average capacity utilisation of industries in fiscal 2016-17 stood at 57.3 per cent against 48.2 per cent in 2015-16. Industrial GDP in fiscal 2016-17 recorded double digit growth, according to the central bank report.

Ghising further said NEA could supply regular electricity to the Birgunj Industrial Corridor immediately as power import from India had gone up following upgradation of the Raxaul-Parwanipur cross-border transmission line. Along with supply capacity enhancement, the power utility has been upgrading and augmenting the distribution system. This will meet the increased demand in future, according to NEA. It is reported that NEA has been developing distribution system eyeing the potential of industrialisation.

As per NEA, 80 per cent of the total electricity supplied is being consumed by domestic users and the industry sector consumes only eight per cent of the total electricity. Industries were compelled to use diesel generators to operate before the NEA improved electricity supply to industries. Along with bringing down the production cost, regular power supply to industries will also increase the lifespan of machines, said industrialists.

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