

Asia Clean Energy Forum 2016



AN OVERVIEW OF COMMUNITY RURAL ELECTRIFICATION IN NEPAL

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Objectives of CRED

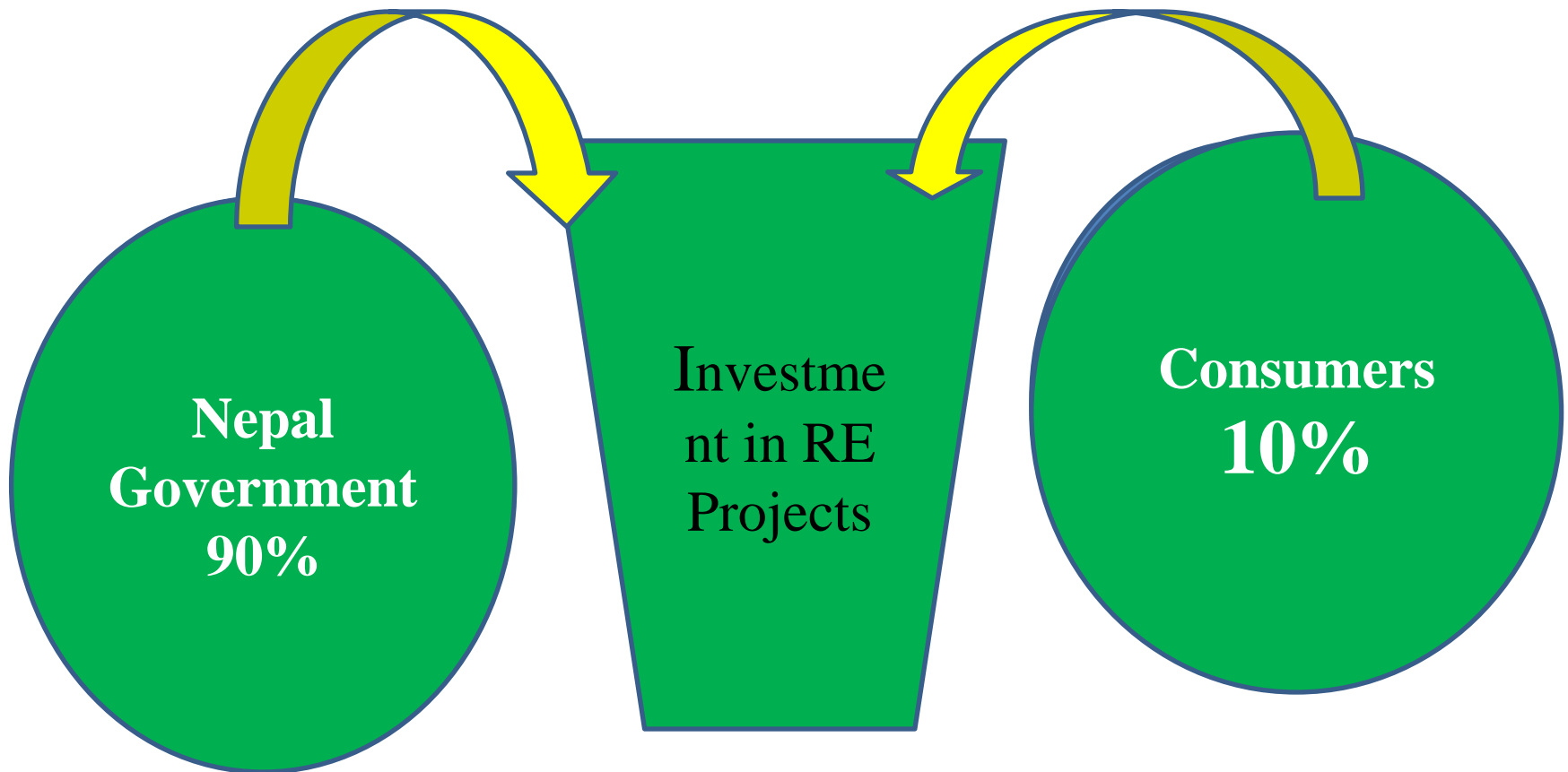


- To promote public participation for bringing effectiveness in the distribution by reducing theft and conducting O & M on community basis.
- To encourage community management in the extension of distribution lines and promotion of electricity distribution system.
- To attract private investment in the field of rural electrification through the Distributing Institution a
- To promote technical and managerial capability of rural community in the field of electricity distribution through Distributing Institution.

Community Rural Electrification

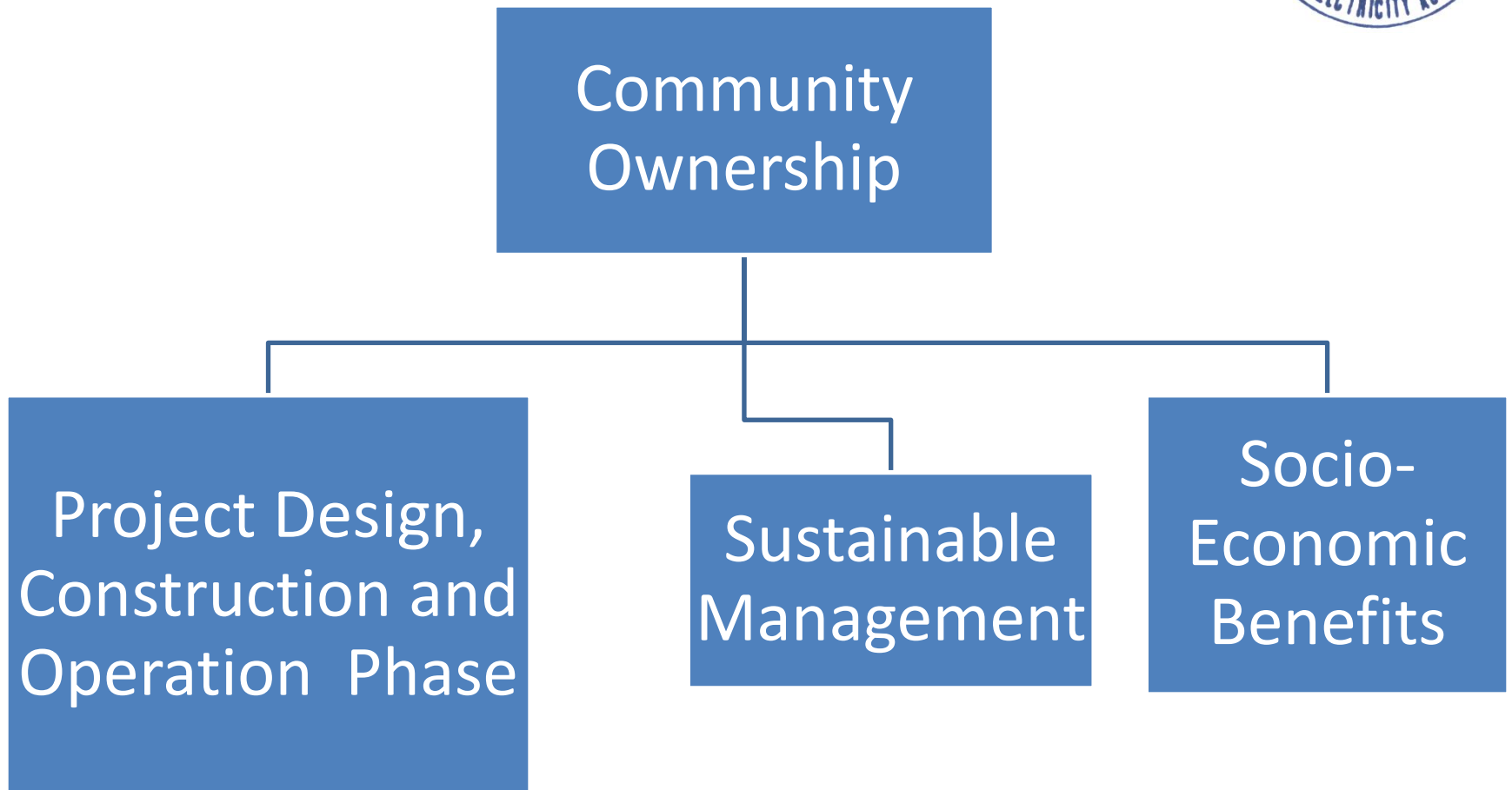


- Joint venture approach between electricity Consumers Groups and Nepal Government .
- The Program started in 2002.





Scope of CRED



Scope contd..



Fast and Sustainable
approach of Grid
Electrification in Rural Nepal



Grid Electricity access to
pro-poor communities

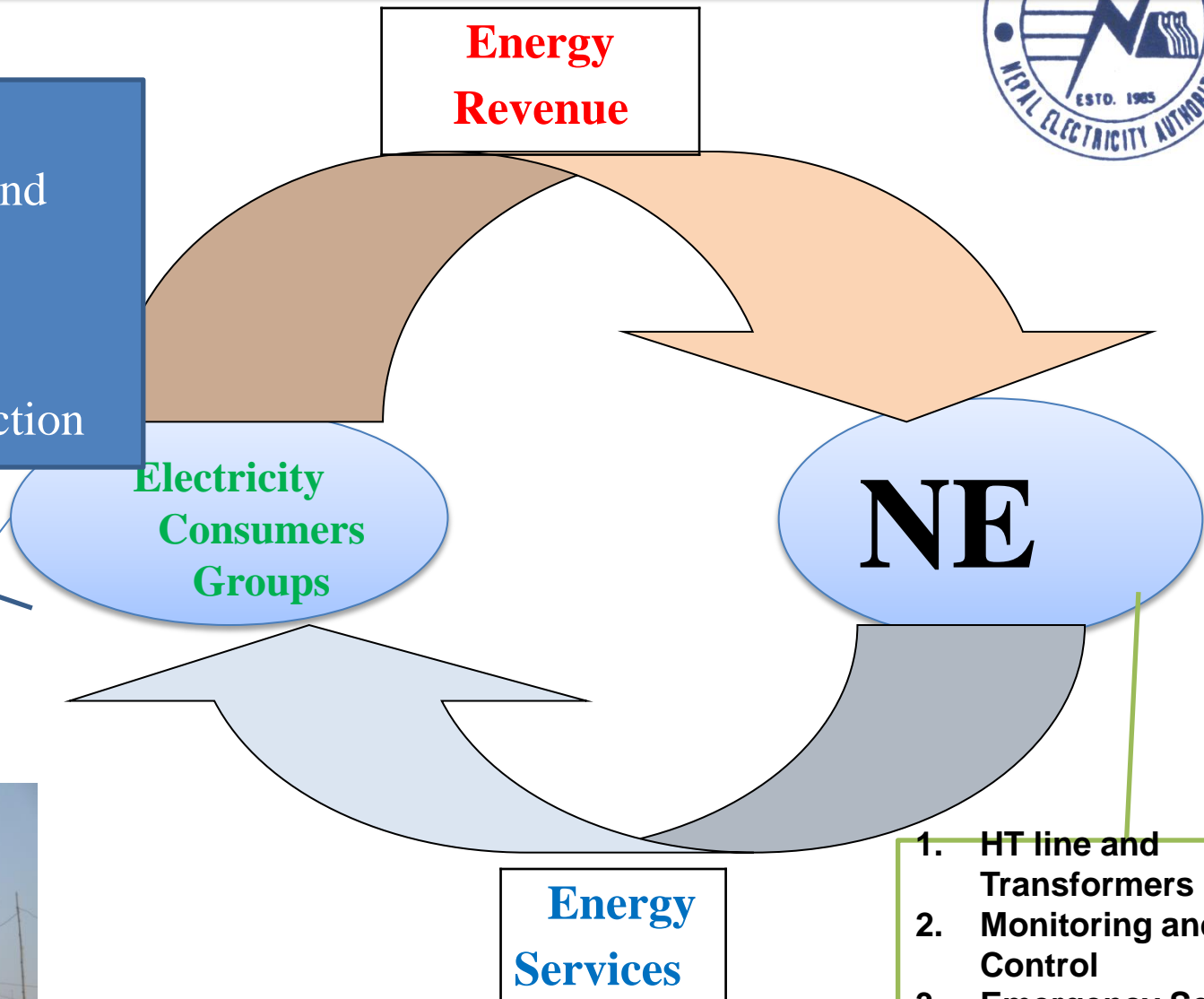


P1- Priority One programs of
Nepal Government

Community Electrification Model



1. Distribution Management and maintenance
2. Sustainable Operation
3. Revenue collection



1. HT line and Transformers
2. Monitoring and Control
3. Emergency Services
4. Help in any necessity



Current Status of CRE in Nepal

- District Reached : 49
- Total Electricity Consumer Communities: **249**
- **Communities in Operation : 209**
- **Total Households : 338,000.**
- Community Investment: NRs 980 million
(**About \$9.8 million**)
- **Consumers Electrified By CRE: 286,000**
- Kailali-Kanchanpur Rural Electrification Program : 52,000.

Current Status of CRE in Nepal



- District Reached : 49
- Total Electricity Consumer Communities: 259
- Communities in Operation : 209
- Total Households : 338,000.
- Community Investment: NPR 1000 million (**About \$10 million**)
- Consumers Electrified By CRE: 286,000

Current Status



- Over **165,000** Households are to be electrified by the end of 2016.
- **2,176** Small ,Cottage Industries in Operation.
- Women Ownership if most of the rural industries.
- 3570 Direct Employments Generation.



Challenges



- **Project cost** is high due to monstrous hilly geographical situation and increasing in material cost.
- The **cost of energy** of NEA is Rs. 7.40/Kwh but the rate for CBRE is Rs. 3.60/Kwh.
- **Load shedding period** is in increasing order.
- **Electricity price** of NEA has not been increased since 2001 but the materials used in NEA have been increased more than double.

Challenges



- NEA itself suffering from the **challenges of Tariff vs. Affordability** and there is no clear opinion on NEA's role towards rural electrification
- **Profit of cooperative** is negligible, which indicates its future survival problems.
- **Technical and managerial capacity building** of Communities.

Challenges

- There is no **non-technical loss** within the cooperative but the high non-technical loss **surroundings** of cooperative gives the negative impact in cooperative.
- NEA is Commercial organization with social obligation also but the cost of cooperatives decreases the financial health of NEA.
- The **ratio of investment** in generation with respect to transmission and distribution is not satisfactory, which causes the problem of power flow and **weak infrastructure** in various parts of rural area.





► Management Training for EUC



Business Awareness Training



Training Programs on Safety and Efficient Use





Thank You

