



Winrock International

Operating Micro Hydro Plants (MHP) as Commercially Viable Enterprises

Rationale

In Nepal, the Micro Hydro Plants (MHPs) fall short in utilising its full potential. Moreover, most of the MHPs fail to collect sufficient revenue even to cover minor operation and maintenance costs resulting in indefinite breakdowns. Community owned MHPs face numerous operational challenges due to weak managerial, technical and financial management. Moreover, insufficient productive loads, poor distribution of electricity, low tariffs and disputes are contributing factors of poor MHP management. In addition, financial sustainability of MHPs with long term impact can only be achieved through proper management and reliable services.

Our Solution

The project therefore, will address managerial knowledge gaps ensuring improved practices and the systems required to operate the projects in sustainable manner.

This project aims to increase MPH managerial capacity so that they can operate power projects as business entities. The project consists of capacity building and awareness activities focusing on geographical areas covered by the RERL programme. This project proposes an exchange of knowledge between these successful pilots and other MHPs that can benefit from these approaches. In this project, RERL will carry out field level activities to mobilize beneficiaries and management committee members encouraging them to adopt better management practices. Winrock will carry out baseline studies, design knowledge exchange programs, organize and

implement training and monitoring activities in close coordination with RERL.

Project Objective

- Expand the knowledge base among technically sound, but managerially and financially weak, Micro Hydro Plants (MHP's) to ensure sustainable commercial operation.
- Enhance managerial capacity and awareness of MHP managers and recommend appropriate commercial business models.
- Establish a platform for a knowledge exchange between MHPs to share best practices to overcome practical barriers for the commercial operation of MHPs.
- Contribute to government initiatives to operate MHPs as commercial enterprises.

Beneficiaries

Badigad Khola MHP	100	912
Bhuji Khola MHP	84	676
Nishi Khola II MHP	100	1020
Nishi Khola III MHP	100	765
Chachalghat MHP	100	913



Partners

Winrock International (WI): Winrock International is implementing the project in collaboration with AEPC/RERL. The project envisions to improve the management of selected MHPs with learning and sharing workshop of successful MHPs with weak managerial MHPs. Winrock International will provide technical assistance to build capacity in improving the managerial status of selected MHPs.

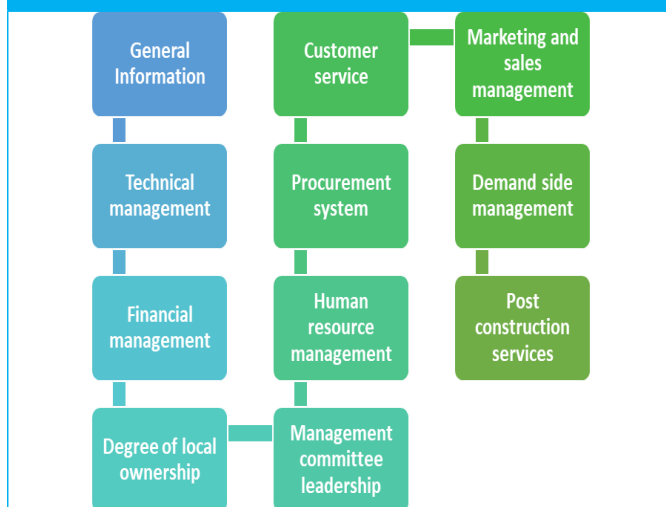
AEPC/RERL: The Alternative Energy Promotion Centre (AEPC)/Renewable Energy for Rural Livelihood (RERL) was more focused on the technical and institutional strengthening of MHPs for financial viability, rather than improving their manage-

rial capacity. However, this project will consider strengthening the managerial aspects to improve the performance of selected MHPs.

Project Status & Achievements

- Conducted baseline survey to assess the present scenario of MHPs
- Organized knowledge sharing between MHP Users Committees focusing on learning and sharing of success, issues and challenges of MHPs in Kharbang, Baglung
- 3 successful MHPs: Giridi, Khamari and Dharam Khola were invited to share their success stories of management
- Organized Field visit to Girindi Khola MHP and Daram Khola MHP
- Improved outlook and commitments from selected MHPs towards proper management and improved performances

Steps to assess status of MHPs:



Winrock International is a nonprofit organization that works with people in the United States and around the world to empower the disadvantaged, increase economic opportunity, and sustain natural resources.

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