

Teesta Canal Hydroelectric Project (I)(II)



Teesta Canal Hydroelectric Power Station No. 3

Outline of Loan Agreement

Loan Amount / Disbursed Amount	14,247 million yen / 14,003 million yen
Loan Agreement	December 1986 / January 1991
Terms & Conditions	Interest rate 3.25% / 2.5% p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	March 2000 / March 2000

Project Outline

In order to meet incremental demand for electricity at peak hours, the project aimed to stabilize electricity supply in Darjeeling and West Dinajpur regions in West Bengal State, by constructing hydroelectric power stations at three locations on the canal of the Teesta Irrigation Project being developed by the state government.

Results and Evaluation

Construction of the three power plants (total capacity 67.5MW: 3 turbines with 7.5MW output for each) was implemented consecutively between October 1997 and August 1999, and full-scale commercial operation commenced in April 2000. However, various problems such as the collapse of canal embankments, silt deposits, and the blockage of intake gates with floating debris have made impossible to obtain sufficient water to operate. In 2000, total output capacity turned out to be below the target level (approx. 320GWh), at 118GWh.

In consequence, the executing agency, West Bengal State Electricity Board (WBSEB), has been actively pressurizing the West Bengal Irrigation and Waterways Department, which manages the canal, to conduct repair work of the canal. As a result, water availability has been gradually increasing. It is hoped that WBSEB will undertake necessary actions in conjunction with the Department, including studying the possibility of sharing the expenses, to rehabilitate and maintain the canal.

Routine maintenance of the power stations is being systematically undertaken with the help of local suppliers. However, there still have been problems with some of the generators. Continuous efforts will be necessary to ensure that the facilities are appropriately operated and maintained.