

India

Hirakud Hydroelectric Project



Hirakud Dam and Burla Power Station

Outline of Loan Agreement

Loan Amount / Disbursed Amount	1,500 million yen / 1,500 million yen
Loan Agreement	October 1981
Terms & Conditions	Interest rate 2.75% p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	January 1997

Project Outline

In order to accommodate electricity shortages in Orissa State, eastern India, an additional hydroelectric generator with a capacity of 37.5MW was installed at the existing Hirakud Dam Hydroelectric Power Plant (Total output capacity: 270MW).

Results and Evaluation

Since its project completion, the actual average generating output (1990-99) of the units, together with the newly installed generator, has been 204GWh, far in excess of the planned level of around 75GWh. This is attributable to the fact that the original target level was set on the assumption that the new unit would only be operated during the monsoon season when the water table is high; however, the high reliability of the new generator, compared with existing units, enabled continuous operation, even during the dry season.

A turbine's breakdown at the end of 1999 caused generator output to drop temporarily below the target level, however, appropriate repairs were conducted and the unit continues to operate satisfactorily.

From an operational perspective, the Orissa State Electricity Board (OSEB) had been responsible for both hydroelectric power generation part and distribution/transmission part. However, OSEB was dissolved in April 1996 in line with the reforms of the power sector led by the State government, and the privately owned Orissa Hydro Power Corporation (OHPC) has taken over power generation part, whilst transmission and distribution is being handled by GRID Corporation (GRIDCO). OHPC has been financially sound. But measures are to be taken for GRIDCO, including strengthening tariff collection, in order to improve its business operations.