

Small Hydropower, Big Impacts?
Report of the one day discussion held on 9th September 2012
Him Dhara, Environment Research and Action Collective
Supported by: SANDRP and Sambhaavnaa Institute



I. Background and Purpose:

Himachal Pradesh, like Uttarakhand and other North-Eastern hill states for the past decade, now has been viewed as the 'power state' with hydro power potential to the tune of approximately 21,000 MW. The pressure is not just to make power, but make 'clean' power, using the run-off river technology, propagated as less damaging, socially and environmentally. But our experience from the ground and local protests in several areas across Himachal has indicated that these projects, involving diversion of rivers and streams, are damaging local livelihoods, and leading to the destruction of forests in different ways, even if direct displacement is minimal.

While the large and medium Hydel Power projects have been in the line of fire for their environmental impacts, the small hydro-electric projects (SHEPs) of less than 5 MW capacity seem to have escaped the lens. Of the 21000 more 1100 MW potential is being looked at under the small hydro sector—run off the river projects, promoted as eco-friendly, renewable energy, cost effective and decentralised structures. More than 400 projects have been allotted and 43 are already commissioned. The Himachal government has taken several initiatives to encourage private sector participation in small hydro-power development. Attractive incentives for independent power producers, in the form of easy land acquisition procedures and speedy clearances have been ensured. What has been overlooked is that small projects are coming up on the smaller streams

which sustain local livelihoods of remotely located poor communities and fragile but biodiverse ecosystems in numerous ways. In Kangra, these streams support the traditional irrigation channels or kuhls. Watermills are run on these and in many places they even supply drinking water to villages.

Since these are small projects, no environmental clearance from the Ministry of Environment and Forests is required. The critical clearances that are required at the state level include the techno-economic clearance and those from the Irrigation and Public Health (IPH) Department, Fisheries Department and Public Works Department. But there are no mechanisms in place at the state level to ensure a cost benefit analysis with an environment and social impact assessment of small hydel projects, neither are NoCs from Gram Panchayats mandatory. Accountability mechanisms are completely absent. The recent news that as many as 23 power projects in Kangra district have been found to have encroached upon government and forest land is an indication of this.

Involvement of private entrepreneurs in these projects, looking for incentives, quick and easy profits, has further enraged the local populations—who do not stand to gain much in these investments. On the other hand, many of these are going in for the clean development mechanism under which they gain large subsidies for saving carbon emission in energy generation. While the total cost of setting up a 1 MW Project stands at around Rs 4 to 7 crores, the returns are massive at around Rs 60,000 a day for a single MW. If we take into account the subsidies the profit margins are huge. In the above context, Himdhara with support from SANDRP and Sambhaavnaa organised a dialogue with and amongst communities affected by Small Hydropower Projects and trying to assert their rights on a crucial natural resource – their river and water. The one day meeting was organised at Sambhaavnaa Institute Palampur, Kangra with the objectives of:

- Building an understanding of the impacts that SHEPs are having on local livelihoods, environment and water rights
- Building capacities of local community activists/representatives by linking them with other affected people/activists and organisations working on the issue and providing relevant policy information
- Brainstorming on strategies to raise these issues with the government and concerned authorities

II. Key Discussions

Pre Lunch: Identifying the issues facing Small Hydroproject Affected Communities: Experience Sharing on Impacts and Local responses

Post Lunch: Strategies and Possible areas of Intervention

Main issues that emerged:

- Information was shared on the projects in Awa khad (Upper Awa Project) in Kandwari and Speru, Chanju Project in Chamba, Lanco Project at Sinhuntha Chamba, 2 Projects on Manooni Khad in Kangra, Boh project in Shahpur Kangra, Manjhil Project in Khaniyara, Kangra and Gaj II
- The impacts listed out, especially, from the Kangra region focussed on the impacts on the Kuhls or the local irrigation system which in turn created a conflict on the water resource – both between the project and the villages and within the users in the villages.
- Many of the community representatives were not aware of the clause that a Panchayat NOC is mandatory for the SHPs to establish themselves. In some cases people shared that Panchayats had given their NOCs but the rest of the residents were not really aware of what had transpired between the company and panchayats
- In case of Upper Awa project a contract was signed with the Kuhl committee for provision of water through Lift Irrigation scheme after the project is constructed. It

was however shared by residents of Kandwari that the project was not completed yet and already 2 of the 3 Kuhl sources have been destroyed. This year was particularly difficult as there was a severe crisis of water during irrigation. The Awa khad Kuhls cater to the irrigation needs of almost 6-7 panchayats. Apart from this several watermills were being run on the water from the Kuhls. However, in the last few years many of these have turned dysfunctional after the water in the kuhls was affected. At present agriculture production in the area has also seen a decline.

- The promise to provide water through Lift Irrigation seemed like an empty one. Kulbhushan Upmanyu ji shared that the amount of electricity required run a lift schement was very high and why would the company who is making a few Megawatts of power spend on this
- In the case of the Upper Awa project there seemed like there has been a general apathy from local residents as a result of which the company has managed to hoodwink the people. “Earlier we used to go and repair our own kuhls and the channnels were managed through local collective action, and now we just look to the company to provide us water. We have just given away our rights over the water without putting up a fight” said Joban Lal son of Brij Lal a Kohli (Kuhl Committee member) from Kandwari
- In the sharing by the group from Chamba, on the long struggle against the Hul Hydropower Project, there was a contrasting situation that emerged. In presence of a strong local leadership and conscious people, the locals were able to put up a resistance to the project from the time of the planning stages in 2002. From then onwards a series of public actions and lobbying tactics have been used by the Saal Ghaati Bachao Sangharsh Morcha to stop the project from coming up. The 4.5 MW project is slated to come up on the Hul Nala and will impact abot 4-6 Panchayats, their water and forests. The direct dependence on the water for irrigation, drinking and watermill uses has made the fight strong.
- However, it was also shared that despite Gram Sambha and Panchayat resolutions against the project, the High Court had recently ordered that the local people should allow the project to come up. The appeal has been filed in the High Court but it was raised that the Panchayat resolutions were not given the due importance by the court of law despite being mandatory
- The Hul case sharing also raised the question of the nexus between political parties, bureacracy and company and how the company has managed to use money power to hang on to the project for almost 10 years despite such strong local opposition
- There was sharing on the Lanco project which was under construction when the local people were affected as a result of damage to the houses and local building during the construction of the project. After exercising pressure the local people managed to get the damages compensated and an agreement was signed for the same as well as compensation to watermill owners but the latter is yet to be fulfilled. Most of the cases revealed that the agreements were mostly signed between the company and the village panchayats and there was no government agency to montior or call to account the company if it slips up from sticking to the contract.
- In the case of the Lanco and Hul projects also it was shared that the concern in not just for the loss of rights over the current use but of the future use also. In both the areas local irrigation schemes have been proposed by the Panchayats but the water has been given away for hydro-electric projects, which means that generation of energy is a priority and agriculture and development of local livelihoods is not.
- In the case of Manooni khad where two projects are coming up the Panchayat gave a condition NOC but none of the conditions have been adhered to. The biggest problem here is the contamination of water by the labour colonies waste and sewage,

shared Ramesh Mastana, a active local person. There is also an issue of damage to houses and kuhls (used by 8 Panchayats). There was recently an agitation and rasta roko and FIRs were filed against 25 people from the area for stopping work on the project. The main demand is compensation of damages

- There was a discussion on strategy for projects which have almost completed construction or are commissioned – the need for awareness on the provisions of LADA (1% to panchayats) and sharing of 1% of the royalty with each family on an annual basis was expressed
- Further, the provisions of the Forest Rights Act 2006 were shared and the need for local awareness on the same was raised. While SHPs do not require an Environment Clearance, forest clearance (where forest lands are involved) is mandatory and this could provide a space for local response. Provisions of the July 2009 circular of MoEF making the Gram sabha NOC to the project and settlement of rights and claims under FRA mandatory before forest clearance were shared
- Kesar chand, a PhD. scholar from HPU who recently was part of a team studying the impacts of the SHPs – made a presentation on the studies. He shared the experience of the Teerthan river which has been declared as 'protected' and the fact that its fish fauna and quality of water is far better than any other river/small stream that has HEPs operational or under construction
- He raised the issue of 15% river flow to maintain ecological flows as impossible in smaller rivers. This policy provision was being violated by most projects and needs to be challenged. He and Ramesh Ganeriwal shared the experience of the Gaj II project where a group of 25 farmers have been affected as a result of the destruction of the local kuhl source. The project was commissioned in 2011 and since then several complaints have been made to the local administration. The SDM has even ordered for immediate provision of water to the local people but the company (Rahejas) have not complied. They are now contemplating a case in the National Green Tribunal
- Hiramani, a dalit activist, from Chhota Bangal shared that an upcoming project on the UHL river had a 2-3 kms tunnel planned which was going to affect an entire Dalit village called Tarmair and the residents were not being able to raise the voice as the dominant interests were in favour of the project. This was the experience in several other projects as well. It was felt, however, that a lack of awareness of the adverse impacts of these projects in the initial stages also led to the lack of resistance
- The lack of compliance by IPPs came up repeatedly as an issue and that any demand must first be for putting in place monitoring and accountability mechanisms
- There was also sharing on CDM used by SHPs by members of HimDhara. While objections were being filed project wise it was discussed that there is a need to challenge the fact that small hydro is clean hydro and this has to be done through the media as well as regular petitioning of the authorities
- Politics of energy production and distribution was dicussed briefly
- There was also a discussion on the nature of the companies taking up these projects. While the rule is that one company cannot be allotted more than three projects – it has been found that the same companies have formed subsidiary companies in different names and been allotted several projects – an example is the Astha group from Hyderabad. We need to do research on the company backgrounds and expose this to the media as well
- Himdhara members also shared the case of the Uttarakhand High Court (in 2011) cancelling 150 odd SHPs in the absence of cumulative impact studies. The text of the judgement was shared with the group and it was also pointed out that the judgement had relied heavily on the Shukla Committee report reccomendations. It was felt that

this should be used in our current cases in HP and also a letter to the Chief Justice must be drafted and signed by various groups pointing out that the report from HP was the basis for the UK HC judgement

Action Points:

- Letter to the Chief Justice on Uttarakhand High Court's 2011 Judgement (to be drafted and circulated by Himdhara members)
- Generate a booklet on Hydropower projects- politics, impacts and spaces for local response – in simple hindi for local community use and awareness (Himdhara, before elections)
- Need to explore the discussion on alternatives of current energy model
- A case on Kuhls and SHPs in NGT (Use the Mark Baker study to file the case – Himdhara to start work)
- Plan another meeting of this kind at a different location 3 months from now

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