

Some Ponderings on the Hydro Projects

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The horror of the devastations caused by the cloud burst and the subsequent flash flood in the state of Uttarkhand is still very fresh in our minds. In fact, the nightmare still continues, for the local people there, with the monsoon rain still pounding the region. Though it was downplayed and subdued, the role of the numerous hydro electric projects and their dams and tunnels have been voiced by the locals and experts too in the cause and aggravation of the calamity. The government, of course, denied these aspects as was expected, like in our own state during the 18 September 2011 earthquake.

Back home in Sikkim, the Rangyong river on which the very controversial Panang 300 MW is planned in Dzongu, North Sikkim, has been acting strange since 2007. It has experienced flash floods of very dangerous level, rain or no rain. On the night of 16th August 2007, under a starry night as per the locals, the river came down raging, killing four workers at a survey camp at Lingzya village with two barely escaping with their dear life. The latest has been in the night of 20th July 2013, after which alerts were sounded for the towns situated along the Teesta. The flash flood itself went largely unnoticed though the folks living in the nearby vicinity of the Rangyong had a jittery night.

In Sikkim, these numerous unnecessary hydro projects that are swallowing up the entire river system of the state, are a sure shot recipe for calamity in the long run for interfering too much with the affairs of nature and not just this, we see a lot other calamities in the making from socio-demographic, cultural, health etc. to political domain in the long run. All these while the revenue returns and profit aspects seem highly doubtful, as we go a little deeper into the MOUs and other documents executed, all of which are inclined towards the companies than for the state government and the public. Our rivers have been sold at pittance in the greed and hurry to *make hay while the sun shone*. You know what I mean.

Revenue

So, without beating about the bush, let us go to the revenue avenue part. The revenues from the projects which are not under Joint Venture (JV) with the government are only the 12% free royalty at the rate of Rs. 10,000 per mega watt. While this is being used to make tall claims about making Sikkim debt free and every citizen rich, compare this rate with the other states like Himachal and Arunachal Pradesh, where rates are above lakhs per mega watt! Our rivers deserve better.

Now, when we come to the Joint Ventures, the scenario is even more ridiculous and pathetic. As per the MOUs of the projects under JVs, the

government is to have an equity share of 26% apart from the 12% free royalty. But the capital for the equity of the government is to be arranged by the companies as loans, which will be paid back from the 12% free royalty at an approximate interest rate of 15%, after the project is commissioned and production starts (The White Paper on Hydro Projects) which basically means that the public will get very meager share or no return as long as the loans are not paid back! Have you ever heard of a government being twirled around the little finger?!

The other high point is that the government and the companies, as per the MOUs, are to execute the equity shares within six months from the signing of the MOU. Leave out six months, eight years have passed since the signing of the MOUs but no such equity shares have been executed! Is the government serious?! Since government had not put in the equity in the Teesta Stage III 1200MW project, the company almost took over the entire project making the government run to the court. In spite of the condition in the MOU that the company cannot transfer or sell the project without first informing the government, the project was sold to a Singapore based company without the prior knowledge of the government!

In addition to the above, even if the government has the 26% share, it still is in minority in the board, with 74% being that of the company shareholders. Which in other words means that the government has very little or no say in the decision making and other functioning of the company, while it has to shoulder equal responsibilities in case of any liabilities.

Carelessness or high-handedness is taken to a new height when you look at the MOU pages of the Dikchu 96 MW project being developed by Sneha Kinetic Pvt. Ltd. where the cut and paste MOU culture has gone to such extent that they didn't even bother to erase the name of the project from where the MOU was copied. Apart from the first and the last pages, the bottom right side of the Dikchu project's MOU says **„Agreement Rangeet Stage IV'!**

Can callousness get better then this?

Employment

The hydro power projects are supposed to provide employment and the government has been blowing its trumpet about solving employment problem in the state. But have they looked deeper into the clauses in the MOUs. A question arises: Who drafted the MOUs, the government or the companies? Leave out the none affected families looking for jobs, the affected families are also duped in the employment issue. A quote from one of the clauses in the MOUs will perhaps make things clear.

„The company shall provide employment to one member of each displaced families or adversely affected as a result of the acquisition of land for the project ... and such employment shall cease immediately on completion of

construction of the project.“ What will the people do after the construction of the projects?! So the hundreds of affected people, with the hope of permanent employment end up empty handed after the completion of the project while the companies laugh all the way to mammoth profits.

Land acquisition

Taking advantage of the innocence and ignorance of the public, the draconian Land Acquisition Act, 1894, and its urgency clause was used blatantly like in no other state in the country, thereby giving no chance for objection by the land owners. The most blatant part being the imposing of the urgency clause to acquire land for the private companies though this part of the law has been amended and removed way back in 1984! What was the urgency all about in the first place? Were the Sikkimese people dying of hunger? In times to come we'll see a set of landless, jobless people created by this mad rush of hydro power development programs.

Geological neglect

Another huge neglect is the geological part of the whole hydro project scheme. Almost all the projects have not given serious attention to the geological part of the EIA. Due to this, many unforeseen geological related impacts are being experienced in the areas where projects are located. The construction works, tunneling and use of uncontrolled excessive dynamite have resulted in landslides, sinking of land which in turn have resulted in drying up of water sources, causing drinking water problems, affecting agriculture and other sources of livelihood of the people, causing damages to people's properties and houses, reports of which we often see in the newspapers.

Another impact which is not being taken seriously is the reservoir effect in the fragile hills and valleys. The two reservoirs at present, Rangeet 60 MW in West Sikkim and Teesta V 510 MW, have shown some example of what can happen. The closing and opening of the dam gates to allow flood materials, silts etc. to flow away during monsoon and other times have resulted in the areas around the dams to sink and thereby causing landslides. Jang village situated on the left side of the Dikchu reservoir, which is always in the news for the wrong reason, is one prime example. Every monsoon with flooding of the Teesta it is in news as the ritual of sinking and slides repeats. Just imagine the cumulative impacts of all the reservoirs in the state starting from Lachhen, Lachung, Teesta I, Teesta II, Teesta III, Teesta IV, Teesta V, Teesta VI, Panang, Dikchu, Rongnichu, Sada Mangder Chujachen, Rangeet I, Rangeet II, Rangeet III, Rangeet IV, Jorethang-Loop, Tashiding. Remember that Sikkim has the highest density of dams. So far, we may say that the dams have nothing to do with earthquakes, but after all these dams are completed we may have to do some rethinking because there are theories like dams induced earthquake and now with cloud bursts becoming an in thing, we have a lot to worry about.