

# **DECISION ON TRANSMISSION AND BULK SUPPLY TARIFFS**

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**Effective from 1<sup>st</sup> January 2019**

## **DECISION ON BULK SUPPLY TARIFFS- Jan 2019 – June 2019**

In exercising the powers and functions vested with the Public Utilities Commission of Sri Lanka (Commission) under section 3 (d) of the Sri Lanka Electricity Act, No. 20 of 2009 (SLEA) to regulate tariffs and other charges levied by licensees and other electricity undertakings, in order to ensure that the most economical and efficient service possible is provided to consumers, and in accordance with section 30 (2) (a) of SLEA, the Commission has approved a Tariff Methodology.

In accordance with the methodology, the tariffs levied by the transmission licensee for the transmission and bulk sale of electricity (the transmission and bulk sale tariffs) and tariffs levied by the distribution licensee for the distribution and supply of electricity were approved by the Commission and requested licensees to implement with effect from 20<sup>th</sup> of June 2013, issuing the decision document on electricity tariffs. The transmission and bulk sale tariffs was a forecasted tariffs issued to determine the end use customer tariffs. The forecasted transmission and bulk sale tariffs are calculated and filed once every six months by the transmission license following the procedure defined in the methodology.

The Commission reviewed the transmission and bulk supply tariffs filed by the transmission licensee for the period from January 2019 to June 2019, and hereby approved and requested the transmission licensee to implement the bulk supply tariffs effective from 1<sup>st</sup> of January 2019.

## List of Acronyms

BSOB	Bulk Supply and Operations Business
BST	Bulk Supply Tariffs
CAPEX	Capital Expenditure
CEB	Ceylon Electricity Board
DL	Distribution Licensee: Ceylon Electricity Board and Lanka Electricity Company (Pvt) Ltd
DL1	Distribution and Supply Licensee for CEB Distribution Region 1 holding license number EL/D/09-003
DL2	Distribution and Supply Licensee for CEB Distribution Region 2 holding license number EL/D/09-004
DL3	Distribution and Supply Licensee for CEB Distribution Region 3 holding license number EL/D/09-005
DL4	Distribution and Supply Licensee for CEB Distribution Region 4 holding license number EL/D/09-006
DL5	Distribution and Supply Licensee LECO holding license number EL/D/09-052
FSA	Fuel Supply Agreement
CEB GL	CEB Generation Licensee holding License number
GWh	Gigawatt hour
kVA	kilovolt ampere
kW	kilowatt
kWh	kilowatt hour
LECO	Lanka Electricity Company (Pvt) Ltd.
LKR	Sri Lanka Rupee
LV	Low Voltage
MV	Medium Voltage
MWh	Megawatt hour
NCRE	Non-Conventional Renewable Energy
O & M	Operations & Maintenance
OPEX	Operating Expenditure
PPA	Power Purchase Agreement
Single Buyer	A function of the BSOB
SPPs	Small Power Producers
T&D	Transmission and Distribution
TL	Transmission and Bulk Supply Licensee holding License number EL/T/09-002
TOU	Time of Use
WIP	Work-in-Progress

# 1 Sales Forecast

Approved sales forecasts for each Distribution Licensee (DL) for year 2019 are shown in Table 1. Customer numbers forecast for year 2019 are shown in Table 2.

**Table 1: Sales forecasts filed by the Distribution Licensees for year 2019**

Customer category	Forecast sales to end-use customers (GWh)						Forecast monthly maximum demand (MVA)					
	DL1	DL2	DL3	DL4	DL5	Total	DL1	DL2	DL3	DL4	DL5	Total
<b>LV RETAIL</b>												
Households	1,459	1,680	973	838	644	<b>5,595</b>	-	-	-	-	-	-
Religious	35	28	12	13	11	<b>99</b>	-	-	-	-	-	-
General Purpose	652	548	253	292	337	<b>2,082</b>	-	-	-	-	-	-
Industrial	159	100	64	44	29	<b>396</b>	-	-	-	-	-	-
Hotel	-	2	-	1	-	<b>3</b>	-	-	-	-	-	-
Government	7	5	6	5	2	<b>24</b>	-	-	-	-	-	-
Street Lighting allowance	70	63	14	19	23	<b>188</b>	-	-	-	-	-	-
<b>Total LV</b>	<b>2,382</b>	<b>2,426</b>	<b>1,321</b>	<b>1,211</b>	<b>1,047</b>	<b>8,387</b>	-	-	-	-	-	-
<b>LV BULK</b>												
General Purpose 2	522	177	109	116	217	<b>1,140</b>	190	64	42	41	83	<b>419</b>
Industrial 2	377	824	630	349	217	<b>2,396</b>	145	263	174	117	50	<b>749</b>
Hotel 2	39	71	7	56	71	<b>243</b>	11	18	2	15	11	<b>56</b>
Government 2	81	61	19	28	19	<b>208</b>	23	16	6	8	7	<b>60</b>
<b>Total LV bulk</b>	<b>1,019</b>	<b>1,132</b>	<b>764</b>	<b>549</b>	<b>524</b>	<b>3,987</b>	<b>369</b>	<b>361</b>	<b>224</b>	<b>180</b>	<b>150</b>	<b>1,284</b>
<b>MV Bulk</b>												
General Purpose 3	238	71	51	21	4	<b>384</b>	60	15	15	7	1	<b>97</b>
Industrial 3	407	1,011	450	174	43	<b>2,085</b>	95	239	77	33	15	<b>459</b>
Hotel 3	63	2	-	48	10	<b>123</b>	11	0	-	7	2	<b>21</b>
Government 3	4	-	1	-	-	<b>5</b>	1	-	0	-	-	<b>1</b>
<b>Total MV</b>	<b>711</b>	<b>1,084</b>	<b>501</b>	<b>242</b>	<b>57</b>	<b>2,596</b>	<b>167</b>	<b>254</b>	<b>93</b>	<b>47</b>	<b>18</b>	<b>578</b>
<b>Total sales</b>	<b>4,111</b>	<b>4,643</b>	<b>2,587</b>	<b>2,002</b>	<b>1,628</b>	<b>14,971</b>	<b>536</b>	<b>615</b>	<b>317</b>	<b>228</b>	<b>168</b>	<b>1,863</b>

**Table 2: Customer number forecast for year 2019**

Customer category	Customer number					
	DL1	DL2	DL3	DL4	DL5	Total
<b>LV RETAIL</b>						
Households	1,613,263	1,990,216	1,210,659	949,871	470,406	<b>6,234,415</b>
Religious	13,913	14,038	1,439	5,785	2,630	<b>37,806</b>
General Purpose	226,194	253,807	121,220	111,170	84,437	<b>796,828</b>
Industrial	33,176	13,380	8,710	5,677	2,416	<b>63,359</b>
Hotel	36	91	28	37	-	<b>192</b>
Government	2,009	2,805	2,897	1,473	419	<b>9,603</b>
Street Lighting	-	-	-	-	3,153	<b>3,153</b>
<b>Total LV</b>	<b>1,888,591</b>	<b>2,274,337</b>	<b>1,344,953</b>	<b>1,074,013</b>	<b>563,461</b>	<b>7,145,355</b>
<b>LV BULK</b>						
General Purpose 2	2,507	1,198	630	718	1,210	<b>6,263</b>

Industrial 2	1,333	1,848	1,345	874	541	<b>5,940</b>
Hotel 2	76	135	24	126	66	<b>427</b>
Government 2	142	147	53	52	46	<b>440</b>
<b>Total LV bulk</b>	<b>4,057</b>	<b>3,328</b>	<b>2,052</b>	<b>1,770</b>	<b>1,863</b>	<b>13,070</b>
<b>MV Bulk</b>						
General Purpose 3	75	25	28	23	3	<b>153</b>
Industrial 3	67	149	65	24	14	<b>320</b>
Hotel 3	9	3	-	7	3	<b>22</b>
Government 3	2	-	-	-	-	<b>2</b>
<b>Total MV</b>	<b>153</b>	<b>177</b>	<b>93</b>	<b>54</b>	<b>20</b>	<b>497</b>
<b>Unbilled customers</b>	-	-	-	-	<b>20,100</b>	<b>20,100</b>
<b>Total for each DL</b>	<b>1,892,801</b>	<b>2,277,842</b>	<b>1,347,098</b>	<b>1,075,837</b>	<b>585,444</b>	<b>7,179,023</b>

## 2 ALLOWED REVENUE

### 2.1 Allowed revenue for 2019

Transmission allowed revenue and distribution allowed revenues were adjusted as per sections 2.3.2.9 and 3.1.2.8 of the approved *Tariff Methodology* respectively. Approved allowed revenues for 2019 (according to *Decision on Revenue Caps and Bulk Supply Tariffs, 2016-2020*) were adjusted with the CAPEX Clawback of 2017 and then used to arrive at the allowed revenues for year 2019. The below mentioned sales forecasts (Table 03) and relevant indices (Table 04) are used for the calculation.

**Table 3 – Sales forecast used for the revenue control formula**

<b>Forecast - Number of Consumers</b>					
<b>Year</b>	<b>DL1</b>	<b>DL2</b>	<b>DL3</b>	<b>DL4</b>	<b>DL5</b>
2018	1,887,497	2,209,000	1,303,489	1,050,515	570,385
2019	1,892,801	2,277,842	1,347,098	1,075,837	585,444
<b>Forecast - Energy (GWh)</b>					
2018	3,930	4,591	2,380	1,852	1,671
2019	4,112	4,643	2,587	2,002	1,628

**Table 4 – Indices used for the revenue control formula**

<b>Relevant Indices</b>			
<b>Year</b>	<b>LKR/USD</b>	<b>CCPI</b>	<b>PPIUS(capital equipment)</b>
Nov-17	155.48	122.20	171.60
Nov-18	181.46	126.20	175.30
Percentage change	16.71%	3.27%	2.16%

## 2.1.1 Capital expenditure claw back for 2017

**Table 7 – Capital expenditure claw back for 2017**

capex claw back - 2017	Unit	DL1	DL2	DL3	DL4	DL5	TL
Depreciation	LKR Million	210.1	257.5	90.0	55.2	31.4	0.0
ROA (2%)	LKR Million	23.7	1.4	7.5	0.0	14.9	0.0

## 2.1.2 Allowed revenue

**Table 8 – Approved Distribution Variable Revenue Cap**

	Unit	DL1	DL2	DL3	DL4	DL5
Revenue cap- 2018	LKR Million	11,378.0	15,351.2	8,142.8	7,586.2	4,227.6
<b>Revenue cap- 2019</b>	LKR Million	12,721.3	17,118.6	9,359.9	8,669.1	4,636.8
CAPEX Claw back- 2017	LKR Million	233.8	258.8	97.5	55.2	46.3
<b>Distribution Revenue cap approved for 2019</b>	<b>LKR Million</b>	<b>12,487.5</b>	<b>16,859.8</b>	<b>9,262.3</b>	<b>8,613.9</b>	<b>4,590.5</b>

**Table 9 – Approved Retail Services Price Cap**

	Unit	DL1	DL2	DL3	DL4	DL5
Retail Services Price Cap - 2018	LKR/customer	538.06	498.23	615.53	637.98	1,022.73
<b>Approved Retail Services Price Cap for 2019</b>	<b>LKR/customer</b>	<b>555.67</b>	<b>514.54</b>	<b>635.68</b>	<b>658.86</b>	<b>1,056.21</b>

**Table 10 – Approved Transmission Revenue Cap**

	Unit	TL
Revenue cap- 2018	LKR Million	9,979.1
<b>Revenue cap- 2019</b>	<b>LKR Million</b>	<b>11,101.7</b>
CAPEX Claw back- 2017	LKR Million	0.0
<b>Revenue cap approved for 2019</b>	<b>LKR Million</b>	<b>11,101.7</b>

**Table 11 – Approved BSOB Revenue Cap**

	Unit	BSOB
Revenue cap- 2018	LKR Million	1,397.3
<b>Revenue cap approved for 2019</b>	<b>LKR Million</b>	<b>1,443.0</b>

## 3 APPROVED LOSSES FOR THE PERIOD

The network loss targets are shown in Table 12 below.

**Table 12- Approved Network Loss for 2019**

Licensee	DL 1	DL 2	DL 3	DL 4	DL 5	TL
Loss target for 2019	6.18%	6.74%	6.78%	7.17%	4.23%	1.80%

## 4 GENERATION COSTS

The approved generation dispatch for Jan 2019 – Jun 2019 is shown in Table 13 below.

**Table 13- Dispatch Approved by the Commission for Jan 2019 – Jun 2019**

Plant\Month	Code	Unit	Month of the year 2019						Total
			Jan	Feb	Mar	Apr	May	Jun	
<b>Independent Power Producers (IPPs)</b>									
Sojitz Kelanitissa – 165 MW	Sojitz	GWh	50.3	44.3	37.7	47.7	35.4	48.0	263.5
Kerawalapitiya – 270 MW	CCKW	GWh	71.0	117.7	137.7	62.2	33.4	20.9	442.7
ACE - Embilipitiya -99WW	DEMB	GWh	21.9	23.6	32.2	29.3	12.6	2.7	122.2
<b>TOTAL IPP</b>		<b>GWh</b>	<b>143.2</b>	<b>185.6</b>	<b>207.5</b>	<b>139.2</b>	<b>81.3</b>	<b>71.6</b>	<b>828.4</b>
<b>CEB GL's Thermal Generation</b>									
Sapu Old 4 x 18 MW	DSP1	GWh	33.9	30.6	33.9	32.8	33.9	32.8	198.1
Sapu Ext. 8 x 9 MW	DSP2	GWh	38.0	34.2	38.0	36.5	35.6	28.7	211.0
KPS GT 1 x 115 MW	GT07	GWh	10.4	4.9	13.4	15.3	2.0	0.1	46.1
KPS GT 5 x 17 MW	GT16	GWh	1.4	0.0	2.8	4.2	0.0	0.0	8.4
KPS Combined – 165 MW	CCKP	GWh	103.1	90.3	100.3	95.8	93.1	76.3	559.1
Coal – Puttlam 300 MW	CPUT	GWh	429.1	437.6	484.5	468.9	484.5	468.9	2,773.5
<b>Total CEB GL's Thermal Generation</b>		<b>GWh</b>	<b>615.9</b>	<b>597.7</b>	<b>672.9</b>	<b>653.6</b>	<b>649.2</b>	<b>606.8</b>	<b>3,796.1</b>
<b>Renewable energy</b>									
	<b>NCRE</b>	<b>GWh</b>	<b>145.5</b>	<b>122.0</b>	<b>136.8</b>	<b>156.0</b>	<b>239.6</b>	<b>270.8</b>	<b>1,070.7</b>
<b>Chunnakam</b>									
	DCHU	GWh	0.2	0.2	0.2	0.2	0.2	0.2	1.2
<b>New Chunnakam</b>									
	DNCHU	GWh	11.8	12.0	14.8	11.7	7.6	3.5	61.4
<b>Total Northern generation</b>		<b>GWh</b>	<b>12.0</b>	<b>12.2</b>	<b>15.0</b>	<b>11.9</b>	<b>7.8</b>	<b>3.7</b>	<b>62.6</b>
<b>CEB GL's Hydropower Generation</b>									
		<b>GWh</b>	<b>435.9</b>	<b>324.0</b>	<b>321.6</b>	<b>311.6</b>	<b>378.6</b>	<b>400.1</b>	<b>2,171.7</b>
<b>Total Generation</b>		<b>GWh</b>	<b>1,352.5</b>	<b>1,241.5</b>	<b>1,353.8</b>	<b>1,272.2</b>	<b>1,356.5</b>	<b>1,353.0</b>	<b>7,929.5</b>

Forecast system coincident peak generation demand and the approved monthly capacity costs of each generation plant/ hydro scheme are shown in Table 14 and Table 15 below.

**Table 14- Forecast system coincident peak demand for Jan 2019 – Jun 2019**

Item\Month	Unit	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
<b>System Coincidental Peak demand</b>	<b>MW</b>	<b>2,383</b>	<b>2,497</b>	<b>2,594</b>	<b>2,435</b>	<b>2,354</b>	<b>2,334</b>

**Table 15- Approved Capacity payments to GL by TL for Jan 2019 – June 2019**

Plant\Month	Unit	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
Mahaweli	LKR Million	674.8	674.8	674.8	674.8	674.8	674.8
Laxapana	LKR Million	274.5	274.5	274.5	274.5	274.5	274.5
Other Hydro	LKR Million	249.7	249.7	249.7	249.7	249.7	249.7
GTSM	LKR Million	107.0	127.8	107.0	107.0	127.8	127.8
DSP	LKR Million	195.1	195.1	195.1	195.1	195.1	195.1
DSPX	LKR Million	212.9	212.9	212.9	212.9	212.9	212.9
CCKP	LKR Million	442.3	442.3	442.3	442.3	442.3	442.3
Sojitz	LKR Million	51.3	51.3	49.6	51.3	49.6	51.3
DEMB*	LKR Million	-	-	-	-	-	-
BARGE*	LKR Million	-	-	-	-	-	-
CCKW	LKR Million	813.3	760.8	813.3	787.1	835.6	817.5
CPUT	LKR Million	1,456.2	1,456.2	1,456.2	1,456.2	1,456.2	1,456.2
RENW	LKR Million	-	-	-	-	-	-
GT7	LKR Million	181.0	181.0	181.0	181.0	181.0	181.0
DCHU	LKR Million	9.5	9.5	9.5	9.5	9.5	9.5
DNOR *	LKR Million	72.7	75.1	72.7	75.1	75.1	72.7
DNCHU	LKR Million	53.9	53.9	53.9	53.9	53.9	53.9
50MW Thulhiriya*	LKR Million	-	-	-	-	-	-
50MW Kolonnawa*	LKR Million	-	-	-	-	-	-
50MW Mathugama*	LKR Million	-	-	-	-	-	-
<b>TOTAL</b>	<b>LKR Million</b>	<b>4,794.3</b>	<b>4,765.0</b>	<b>4,792.6</b>	<b>4,770.5</b>	<b>4,838.1</b>	<b>4,819.2</b>
Depreciation Provision	LKR Million	1,159.8	1,159.8	1,159.8	1,159.8	1,159.8	1,159.8
Excluded from CEB GL*							
Return of Equity	LKR Million	232.0	232.0	232.0	232.0	232.0	232.0
allowed for CEB GL*							

	Unit	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
<b>Generation Capacity cost</b>	<b>LKR /MW</b>	<b>1,622,441.81</b>	<b>1,536,501.21</b>	<b>1,490,100.66</b>	<b>1,577,793.37</b>	<b>1,661,281.80</b>	<b>1,666,966.78</b>

\* Notes:

- The Capacity costs of Ace Embilipitiya (DEMB) was removed as their license has been expired.
- Further the Capacity cost of Barge and 50MW Diesel power (Thulhiriya, Kolonnawa, and Mathugama), can't be allowed as the Licenses have not been issued.
- Though Northern Power Pvt Ltd (DNOR) power plant is not operating as per a Court order, capacity cost was allowed.
- Depreciation on CEB generation plants was removed and a Return on Equity was allowed.

Forecast monthly generation from each generation plant along with approved average cost (LKR/kWh) is shown in Table 16 below.



**Table 16- Approved Energy Payments to GL by TL for Jan 2019 – June 2019**

<b>Plant\Month</b>	<b>Unit</b>	<b>Jan-19</b>	<b>Feb-19</b>	<b>Mar-19</b>	<b>Apr-19</b>	<b>May-19</b>	<b>Jun-19</b>
Mahaweli, Laxapana and Other Hydro	GWh	435.9	324.0	321.6	311.6	378.6	400.1
	LKR /kWh	-	-	-	-	-	-
GTSM	GWh	1.4	-	2.8	4.2	-	-
	LKR /kWh	71.53	-	62.92	59.90	-	-
DSP	GWh	33.9	30.6	33.9	32.8	33.9	32.8
	LKR /kWh	23.42	23.60	23.45	23.50	23.45	23.50
DSPX	GWh	38.0	34.2	38.0	36.5	35.6	28.7
	LKR /kWh	22.45	22.59	22.45	22.50	22.53	22.86
CCKP	GWh	103.1	90.3	100.3	95.8	93.1	76.3
	LKR /kWh	23.06	22.97	23.04	23.01	22.99	22.82
Sojitz	GWh	50.3	44.3	37.7	47.7	35.4	48.0
	LKR /kWh	21.73	21.83	22.84	21.77	22.96	21.76
DEMB*	GWh	21.9	23.6	32.2	29.3	12.6	2.7
	LKR /kWh	16.75	16.43	16.77	16.54	15.47	15.37
BARGE*	GWh	-	-	-	-	-	-
	LKR /kWh	-	-	-	-	-	-
CCKW	GWh	71.0	117.7	137.7	62.2	33.4	20.9
	LKR /kWh	27.21	24.73	24.61	26.09	27.72	29.81
CPUT	GWh	429.1	437.6	484.5	468.9	484.5	468.9
	LKR /kWh	9.96	9.95	9.90	9.91	9.90	9.91
RENEW	GWh	145.5	122.0	136.8	156.0	239.6	270.8
	LKR /kWh	19.31	19.26	19.41	19.85	18.12	18.33
GT7	GWh	10.4	4.9	13.4	15.3	2.0	0.1
	LKR /kWh	44.45	48.70	43.61	43.24	60.48	320.66
DCHU	GWh	0.2	0.2	0.2	0.2	0.2	0.2
	LKR /kWh	36.75	36.75	36.75	36.75	36.75	36.75
DNCHU	GWh	11.8	12.0	14.8	11.7	7.6	3.5
	LKR /kWh	24.12	24.09	23.71	24.15	25.26	29.06
50MW Thulhiriya*	GWh	-	-	-	-	-	-
	LKR /kWh	-	-	-	-	-	-
50MW Kolonnawa*	GWh	-	-	-	-	-	-
	LKR /kWh	-	-	-	-	-	-
50MW Mathugama*	GWh	-	-	-	-	-	-
	LKR /kWh	-	-	-	-	-	-

<b>Total generated energy</b>	<b>GWh</b>	<b>1,352.5</b>	<b>1,241.5</b>	<b>1,353.8</b>	<b>1,272.2</b>	<b>1,356.5</b>	<b>1,353.0</b>
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<b>Monthly energy cost</b>	<b>LKR Million</b>	<b>15,352.3</b>	<b>15,074.3</b>	<b>17,314.0</b>	<b>15,891.9</b>	<b>15,126.7</b>	<b>14,640.8</b>
<b>Total Energy cost for six-months</b>	<b>LKR Million</b>	<b>93,400.0</b>					
<b>Total energy dispatch for six-months</b>	<b>GWh</b>	<b>7,929.5</b>					
<b>Six-month average energy cost</b>	<b>LKR/kWh</b>	<b>11.99</b>					

\* Notes:

- Due to the expiration of the licenses, only the weighted average energy costs of the thermal power plants were allowed as the energy costs of Ace Embilipitiya.
- Due to the absence of the license, energy generation of Barge and 50MW Diesel power (Thulhiriya, Kolonnawa, and Mathugama) were removed and added to Hydro.

## 5 ENERGY COSTS IN EACH INTERVAL FOR TOU PRICING

Using the approved Methodology, the Commission has determined that the peak adjustment factors to be as given in Table 17 below.

**Table 17- Approved Peak Adjustment Factors**

Time interval for TOU pricing	Factor	Value
0530-1830	k1	1
1830-2230	k2	1.3
2230-0530	k3	0.6

The energy dispatches and costs in each interval are provided in Table 18 below. The Commission has assessed the energy dispatches in each interval using historic information on the load profile on typical weekdays, week-ends and holidays.

**Table 18- Monthly Energy Dispatches and Costs in the TOU Regime for Jan 2019 – Jun 2019**

	Unit	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
Generation Energy cost	LKR/kWh	11.35	12.14	12.79	12.49	11.15	10.82

Month 1 - Block tariffs				
Block	Energy generated (GWh)	Block Factor (#)	Adjusted Factor (#)	Charge (LKR/kWh)
B1 (Day)	768.2	1	1.01	11.51
B2 (Peak)	307.0	1.3	1.32	14.96
B3 (Off peak)	277.3	0.6	0.61	6.91

Month 2 - Block tariffs				
Block	Energy generated (GWh)	Block Factor (#)	Adjusted Factor (#)	Charge (LKR/kWh)
B1 (Day)	705.2	1	1.01	12.31
B2 (Peak)	281.8	1.3	1.32	16.01
B3 (Off peak)	254.5	0.6	0.61	7.39

<b>Month 3 - Block tariffs</b>				
<b>Block</b>	<b>Energy generated (GWh)</b>	<b>Block Factor (#)</b>	<b>Adjusted Factor (#)</b>	<b>Charge (LKR/kWh)</b>
B1 (Day)	768.9	1	1.01	12.97
B2 (Peak)	307.3	1.3	1.32	16.86
B3 (Off peak)	277.5	0.6	0.61	7.78

<b>Month 4 - Block tariffs</b>				
<b>Block</b>	<b>Energy generated (GWh)</b>	<b>Block Factor (#)</b>	<b>Adjusted Factor (#)</b>	<b>Charge (LKR/kWh)</b>
B1 (Day)	722.6	1	1.01	12.67
B2 (Peak)	288.8	1.3	1.32	16.47
B3 (Off peak)	260.8	0.6	0.61	7.60

<b>Month 5- Block tariffs</b>				
<b>Block</b>	<b>Energy generated (GWh)</b>	<b>Block Factor (#)</b>	<b>Adjusted Factor (#)</b>	<b>Charge (LKR/kWh)</b>
B1 (Day)	770.5	1	1.01	11.31
B2 (Peak)	307.9	1.3	1.32	14.70
B3 (Off peak)	278.1	0.6	0.61	6.79

<b>Month 6 - Block tariffs</b>				
<b>Block</b>	<b>Energy generated (GWh)</b>	<b>Block Factor (#)</b>	<b>Adjusted Factor (#)</b>	<b>Charge (LKR/kWh)</b>
B1 (Day)	768.5	1	1.01	10.97
B2 (Peak)	307.1	1.3	1.32	14.27
B3 (Off peak)	277.4	0.6	0.61	6.58

## **6 COMBINED COSTS OF SINGLE BUYER, AND TRANSMISSION AND BSOB**

The allowed capacity costs of generation and energy costs of generation have been combined with the allowed transmission and BSOB costs to calculate the Bulk Supply Tariffs (BST) for sales by the TL to DLs. The approved average BST in each month in each TOU interval is given in Table 19 below and Table 20 provides the six-month average.

**Table 19- Combined Transfer Price from TL to DLs for Jan 2019 – Jun 2019**

<b>Capacity Charge</b>							
	<b>Unit</b>	<b>Jan-19</b>	<b>Feb-19</b>	<b>Mar-19</b>	<b>Apr-19</b>	<b>May-19</b>	<b>Jun-19</b>
Generation capacity	LKR /MW	1,622,441.81	1,536,501.21	1,490,100.66	1,577,793.37	1,661,281.80	1,666,966.78
Transmission	LKR /MW	388,204.67	370,450.75	356,691.79	379,861.68	393,044.32	396,302.90
Bulk Supply and Operation Business	LKR /MW	1,237,970.01	392,517.01	188,246.73	106,858.71	110,567.11	379,214.07
BST (C)	LKR /MW	3,248,616.50	2,299,468.96	2,035,039.19	2,064,513.75	2,164,893.23	2,442,483.75

<b>BST (C)6-Month Weighted average</b>	<b>LKR/MW</b>	<b>2,369,408.55</b>
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<b>Energy Charge</b>							
<b>Month</b>	<b>Unit</b>	<b>Jan-19</b>	<b>Feb-19</b>	<b>Mar-19</b>	<b>Apr-19</b>	<b>May-19</b>	<b>Jun-19</b>

**Interval 1 (day)**

Transmission Loss Factor B1	%	1.85%	1.85%	1.85%	1.85%	1.85%	1.85%
Generation energy Cost B1	LKR /kWh	11.51	12.31	12.97	12.67	11.31	10.97
<b>BST (E1)</b>	<b>LKR/kWh</b>	<b>11.72</b>	<b>12.54</b>	<b>13.21</b>	<b>12.90</b>	<b>11.52</b>	<b>11.18</b>

**Interval 2 (peak)**

Transmission Loss Factor B2	%	2.36%	2.36%	2.36%	2.36%	2.36%	2.36%
Generation energy Cost B2	LKR /kWh	14.96	16.01	16.86	16.47	14.70	14.27
<b>BST (E2)</b>	<b>LKR/kWh</b>	<b>15.32</b>	<b>16.38</b>	<b>17.26</b>	<b>16.86</b>	<b>15.05</b>	<b>14.60</b>

**Interval 3 (off peak)**

Transmission Loss Factor B3	%	1.31%	1.31%	1.31%	1.31%	1.31%	1.31%
Generation energy Cost B3	LKR /kWh	6.91	7.39	7.78	7.60	6.79	6.58
<b>BST (E3)</b>	<b>LKR/kWh</b>	<b>7.00</b>	<b>7.48</b>	<b>7.88</b>	<b>7.70</b>	<b>6.87</b>	<b>6.67</b>

**Table 20- Approved Six-month Average Bulk Supply Tariffs for Jan 2019 – Jun 2019**

	<b>Unit</b>	<b>BST (E)</b>
<b>BST day (E1) 6-Month weighted average</b>	<b>LKR/kWh</b>	<b>12.17</b>
<b>BST peak (E2) 6-Month weighted average</b>	<b>LKR/kWh</b>	<b>15.89</b>
<b>BST off-peak (E3) 6-Month weighted average</b>	<b>LKR/kWh</b>	<b>7.26</b>

BST = Bulk Supply Tariff, means the average transfer price from Transmission to Distribution Licensees

E1, E2, E3 refer to the energy delivered in the three-time intervals in the time-of-use tariffs regime. ie 0530-1830, 1830-2230 and 2230-0530, respectively.

## 7 APPROVED BST FROM TL TO EACH DL

Owing to the requirement to maintain a Uniform National Tariff (UNT) and owing to the varying customer mix among Distribution Licensees, the BST to each DL was adjusted, to enable each Distribution Licensee to recover their full allowed revenues. The summary calculation and the approved BSTs are shown in Table 21.

The Transmission Licensee is hereby directed to invoice each Distribution Licensee at the rates shown in Table 21 as (i) Approved BST for payment on Coincident Maximum, and (ii) Approved BST for energy in each TOU interval.

**Table 21- Approved BST from Transmission to each Distribution Licensee for Jan 2019 – Jun 2019**

Description	Units	DL1: CEB Region 1	DL2: CEB Region 2	DL3: CEB Region 3	DL4: CEB Region 4	DL5: LECO	Total
Sales to end-use customers – 2019 (Jan-Dec)	GWh	4,112	4,643	2,587	2,002	1,628	14,971
Revenue based on approved customer tariffs – 2019 (Jan-Dec)	LKR Million	75,969.9	72,725.4	45,573.1	36,947.7	32,650.3	263,866.5
Coincident peak demand for purchases from Transmission	MW	645	705	474	340	269	-
Approved BST for payment on Coincident Maximum Demand	LKR/MW/month	2,369,408.54	2,369,408.54	2,369,408.54	2,369,408.54	2,369,408.54	-
Amount payable to Transmission on account of Demand ( Jan – Jun 2019)	LKR Million	9,167.6	10,022.8	6,741.6	4,832.7	3,823.7	34,588.3
Allowed losses (2019)		6.18%	6.74%	6.78%	7.17%	4.23%	-
Revenue to be recovered by Transmission through energy charges ( Jan – Jun 2019)	LKR Million	21,791.3	17,099.2	10,840.0	8,866.3	9,784.3	68,381.0
Energy sold from Transmission at MV ( Jan – Jun 2019)	GWh	2,143	2,430	1,351	1,048	848	7,820
<b>Approved BST for energy in each TOU interval</b>							
Peak (1830-2230)	LKR/kWh	<b>13.48</b>	<b>9.32</b>	<b>10.63</b>	<b>11.21</b>	<b>15.30</b>	-
Off Peak (2230-0530)	LKR/kWh	<b>6.16</b>	<b>4.26</b>	<b>4.86</b>	<b>5.12</b>	<b>6.99</b>	-
Day (0530-1830)	LKR/kWh	<b>10.31</b>	<b>7.14</b>	<b>8.14</b>	<b>8.58</b>	<b>11.71</b>	-