



Your ref: PUC/LIC/AP21/01

My Ref: GP/CE/EXPAN/F-101

Date: July 26, 2021

The Director General
Public Utilities Commission of Sri Lanka
6th Floor, BOC Merchant Tower
No.28, St, Michael's Road,
Colombo 3.

Dear Sir,

SUBMISSION OF THE DRAFT LONG TERM GENERATION EXPANSION PLAN (LTGEP) 2022-2041 FOR COMMISSION APPROVAL

We write in reference to your letter dated 2021-07-13, reminding us that the deadline for submission of draft LTGEP 2022-2041 has passed and requesting us to submit the draft plan at earliest.

Accordingly, we have enclosed herewith the draft LTGEP for the period 2022-2041, seeking the approval of the Commission. The draft LTGEP 2022-2041 report has been prepared following generation expansion planning studies and renewable energy integration studies conducted by CEB.

We wish to bring the following to the kind attention of the Commission.

- 1) Planning studies were carried out giving, special consideration to the "General Policy Guidelines in Respect of the Electricity Industry" as stipulated under section 5 of the Sri Lanka Electricity Act no 20 of 2009 (as amended) and section 30 of the Public Utilities Commission of Sri Lanka (PUCSL) Act no 35 of 2002. This policy guideline was issued in April 2019 and still in effect up to date. Any other future revisions to government policy that requires detailed integration studies would be appropriately considered in the next planning cycles.
- 2) In addition to the General Policy Guidelines, the government's intention to gradually develop a low carbon electricity system, the global trends towards low carbon energy systems, high level of operational flexibility required to absorb high proportion of renewable resources required for such transition etc. were taken into consideration when deciding on the Base Case Plan. As a result, the scenario selected as the base case does not fully adhere to the stipulated fuel mix to be maintained in the firm installed generating capacity by 2030.
- 3) The last Commission approved LTGEP is the LTGEP 2018-2037, which was prepared five years back. As the whole world is undergoing a pandemic situation with substantial

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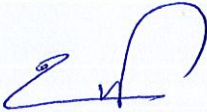
changes in electricity demand and project implementation timelines, the previously approved plan does not reflect the present generation requirement or government policy. Thus, CEB require earliest approval to the draft LTGEP 2022-2041 to proceed with both generation and transmission development.

- 4) While we submit the draft LTGEP 2022-2041 report to bring it to the earliest attention of the Commission, editorial improvements will be carried out on the draft version of the document. Such changes will only be on language, formatting and on historical data or information and not on results or recommendation of planning studies. We would make arrangements to bring all changes duly to the attention of the Commission prior to releasing the final report.

As the Long Term Generation Expansion Plan is a key planning document of the country/sector that is required early to implement all the enabling features required in the power system and to meet demand for electricity, we seek your earliest approval for the same. We also earnestly request an opportunity to present the key results and rationale of LTGEP 2022-2041 directly to Commission members, in addition to the Commission staff.

Yours faithfully,

CEYLON ELECTRICITY BOARD



Eng. (Mrs.) N.W.K. Herath
General Manager

Authorized officer for Licenses EL/T/09-002;

Encl: {Draft LTGEP 2022-2041}

Copy:

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Chairman (CEB) - Fipls
AGM (CS) - Fipls
AGM (Tr) - Fipls

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