



Your ref: PUC/L1/AP19/01

My Ref: DGM TGP/GP/CE/101

Date: October 27, 2020

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



Jaah.
Pls approve chuni
D/K
12/11/2020

Approval to Least Cost Long Term Generation Expansion Plan 2020-2039

We write in reference to the letter PUC/L1/AP19/01 dated 2020-05-28 by Director General PUCSL requesting us again for the second time to amend and resubmit the Least Cost Long Term Generation Expansion Plan (LCLTGE) 2020-2039, which was originally submitted for Commission approval on 2019-05-24. We wish to bring the following to your attention in that regard.

As per timelines given by the Commission (in your letter dated 2018-07-12) to prepare and approve LCLTGE 2020-2039, the plan is to be prepared by CEB within nine months and the decision of the Commission is to be given within three months of submission. Accordingly, CEB had submitted the plan on 2019-05-24, (a three week delay to the stipulated submission date of 2019-04-30). However, even after a lapse of 17 months, an approval to the submitted plan could not be secured.

As a result, CEB had no other option but to follow the previous Commission approved plan, the LCLTGE 2018-2037. However, due to new government policy guidelines issued under section 5 of the Sri Lanka Electricity Act on 2019-04-10, there is a considerable difference to the power capacity requirement now for the next 10 years (up to 2030), as against what was contained in the previous Commission approved plan, as summarized below.

Power Plant Type	Planned Capacity for the next 10 years. (2020-2029) (MW)	
	Commission Approved LCLTGE 2018-2037	Draft LCLTGE 2020-2039 (that is yet to secure approval)
LNG fired Combined Cycle Power Capacity.	600	1,200
Coal fired Power Capacity.	1,500	900
Non-Conventional Renewable Energy Additions.	1,574	1,730

As you can see from the above, to comply to the new government policy (issued in April 2019) on the fuel mix to be maintained by 2030, a considerable number of LNG plants were advanced to 2020-2029

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