



ශ්‍රී ලංකා මහජන උපයෝගීතා කොමිෂන් සභාව
இலங்கைப் பொதுப் பயன்பாடுகள் ஆணைக்குழு
PUBLIC UTILITIES COMMISSION OF SRI LANKA



ඔබේ අංකය }
உமது இல. }
Your No. }

අපේ අංකය }
எமது இல. }
Our No. }

PUC/E/Tariff/01

දිනය }
திகதி }
Date }

May 16, 2023

Eng. Rohan Seneviratne
General Manager,
Ceylon Electricity Board.

Electricity Tariff Revision July to December 2023

Reference is made to the proposal on Electricity Tariff Revision July – December 2023, submitted to the Commission (Ref : DGM(CS&RA)/TRF/Trf.2023), dated May 15, 2023, Bulk Supply Tariff Filing for the Period 1st July to 31st December 2023 (Ref : DGM(CS&RA)/TRF/BST-Vol.II), submitted with letter dated May 15, 2023, approved Tariff Methodology and Section 30 of Sri Lanka Electricity Act No. 20 of 2009.

It is observed that the proposal does not carry the essential information to ensure the reasonableness of submitted costs. Therefore, you are hereby required to submit all the information requested in attached document on or before May 24, 2023 in the requested formats. Excel files shall be emailed to tariff@puosl.gov.lk.

Kanchana Siriwardena
Actg. Deputy Director General

06.වන මහල, ලංකා බැංකු වෙළඳ කුර්ථ, 28. ශාන්ත මයිකල් පාර, කොළඹ 03.

06 ஆவது மாடி, இலங்கை வங்கி வர்த்தகக் கோபுரம், 28, சென் மைக்கல் வீதி, கொழும்பு 03.

Level 06, BOC Merchant Tower, 28, St. Michael's Road, Colombo 03, Sri Lanka.

Tel : +94 11 2392607/8

Fax : +94 11 2392641

E-mail : info@puosl.gov.lk

Web : www.puosl.gov.lk

සභාපති }
தலைவர் }
Chairman }

+94 11 2392606

අධ්‍යක්ෂ ජනරාල් }
பணிப்பாளர் நாயகம் }
Director General }

+94 11 2392606

Issues/comments and information required with respect to Electricity Tariff Revision July – December 2023, submitted to the Commission (Ref : DGM(CS&RA)/TRF/Trf.2023), dated May 15, 2023

1. **Background** - Even though the amount of term loan has increased from MLKR 129,641 (as at Nov 30, 2022) to MLKR 146,469. The outstanding amount to major creditors has not reduced but increased from MLKR 173,598 (as at Nov 30, 2022) to MLKR 208,312.
Therefore, CEB shall submit the details of all the loans taken from Nov 30, 2022 (including payment schedules for 2023, interest and capital components separately identified) and details of utilization of loans.
Please note that Distribution and Transmission allowed revenue was calculated based on your own proposal dated January 5, 2023. Any other submissions made via this proposal will be considered for 2024 allowed revenue calculation.
2. –
3. –
4. **Sales Forecast** - Finalized sales forecast for 2023 and July to December 2023 (including tariff category/ block wise customer numbers, energy & maximum demand) for each Distribution Licensee, obtained from the detailed studies on energy sales, as mentioned in the proposal shall be submitted (Excel file required)
Further the Commission observed that the 2023 sales forecasts submitted by CEB Distribution Licensees in January 2023 is erroneous, therefore, actual sales data shall be uploaded to LISS up to March 2023 for verification of your sales forecast.
5. **Revenue** - The Commission envisaged the issue of price elasticity of demand even though the CEB denied it. However, CEB shall submit forecast sales to LECO and the forecast revenue calculation of the same (Excel file required)
6. **Expenditure** – CEB shall submit any costs added to the distribution costs with respect to;
 - I. Service connections,
 - II. Interest payments for security deposits of consumers,
 - III. Any other expenses.
7. **Conclusion** - Detailed calculation that provided a surplus revenue of LKR. 20,256.50 including;
 - I. Revenue calculation using sales forecast (of above 4) and Tariff table proposed (Excel file required). Please note that revenue calculation means calculation of revenue by multiplying tariff of each tariff subcategory with the forecast demand of the same, and addition of all tariff category revenues.
 - II. Cost breakdown to Generation Energy, Generation Capacity, Transmission, Distribution (Divided to 4 DLs) and Term Loan (Excel file required)

Please note that all calculations above (Revenue, Distribution and Transmission costs) shall be compared with those of Jan 2023 submitted values and the variance shall be explained through comprehensive calculations and backed by reasonable assumptions.

Issues/comments and information required with respect to Bulk Supply Tariff Filing for the Period 1st July to 31st December 2023 (Ref : DGM(CS&RA)/TRF/BST-Vol.II)

1. Term loan has increased from LKRM 13,708 (2023 H2 submission on Jan 2023) to LKRM 19,802 (information requested above shall explain the variance)
2. Transmission loss of the submission is 3.49% where 2021 approved value is 2.82%

3. Naptha price is LKR 266/Liter where existing is LKR 220/Liter. Further the Naptha unit energy (fuel) cost of Kelanitissa Combined Cycle Power Plant is LKR 69.53/kWh where that of Diesel is LKR 68.14/kWh, However, plant is planned to dispatch using Naptha violating merit order. CEB shall submit the reasons for this dispatch.
4. Please verify that 'Energy Sent Out' values of each CEB plant is net of auxiliary consumption of the respective plant (contradicting submissions of CEB in Jan 2023 hindered the tariff approval process)

Information requested via our letter dated March 1, 2023 and not submitted and not submitted as per the requested format, shall be submitted along with above information