



Your ref:

My ref: DGM(CS&RA)/TRF/Trf. 2024

Date: February 6, 2024

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

DDG (CS) /  
W  
DIL  
02/02/24

### Electricity Tariff Revision January – March 2024

This has reference to your letter no. PUC/E/Tariff/01 dated 2024-02-02 regarding the above.

Accordingly, the clarifications for the queries raised by the Commission regarding the 2024 finance cost are as follows.

**1. Inclusion of capital repayments under finance cost**

The reason has already been explained under item 5 of the even number letter dated 2024-02-05 by Actg. GM of CEB.

**2. What is the AWPLR value assumed to estimate term loan interests?**

At the time of preparation of the Budget – 2024, the AWPLR considered in the forecast loan interest computation is approximately 18%.

**3. What is the applicable interest rate for the delayed payments to IPP?**

Budgeted Delayed Interest on IPP and NCRE payments for the year 2024 amount to LKR 14,000 Mn. Please refer below table for applicable interest rates for delayed payments to IPP.

Description	Currency	Interest Rate
<b>IPP</b>		
West Coast Power (Pvt) Ltd	LKR	AWPLR + 2%
	EUR	Euribor Rate + 2%
Ace Embilipitiya	LKR	AWPLR + 2%
	USD	Prime Rate + 2%
Ace Matara	LKR	AWPLR + 2%
	USD	Prime Rate + 2%
<b>NCRE</b>	LKR	AWPLR (Compounding)

**4. What is the lease (assets leased) that contributed to the inclusion of lease interest cost?**

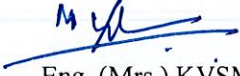
Lease interest is budgeted to be Rs. 197 Mn for the year 2024, based on both existing and planned leased motor vehicles of the Divisions of CEB.

**5. Estimated monthly OD balance of 2024**

The OD balance at the beginning of the year 2024 amounted to LKR 20,000 Mn and it is expected to reduce by LKR 500 Mn every month, leading to an OD balance of LKR 14,000 Mn at the end of year 2024.

Yours faithfully

CEYLON ELECTRICITY BOARD



Eng. KVSM Kudaligama  
DGM (CS&RA)

Eng. (Mrs.) KVSM Kudaligama

**Deputy General Manager**

**(Corporate Strategy & Regulatory Affairs)**

Copy to:

1. *Chairman, PUCSL* - fi & na pl.
2. *Ms. Chathurika Wijesinghe, member PUCSL* - fi & na pl.
3. *Mr. Douglas N. Nanayakkara, member PUCSL* - fi & na pl.
4. *Mr. SG Senaratne, member PUCSL* - fi & na pl.
5. *Mr. Ranjith Kaluthanthirige, member PUCSL* - fi & na pl.
6. *Chairman, CEB* - fi pl.
7. *Addl. GM (CS)* - fi pl.
8. *FM (SM&BSO)* - fi pl.