

Public Utilities Commission of Sri Lanka

Public Consultation on Second Electricity Tariff Revision for 2024

June 2024

List of Acronyms

CEB	Ceylon Electricity Board
CPC	Ceylon Petroleum Corporation
CBSL	Central Bank of Sri Lanka
MLKR	Million Sri Lankan Rupees
GWh	Giga Watt Hours
MW	Mega Watt
kWh	Kilo Watt Hour
LECO	Lanka Electricity Company Private Limited
BSOB	Bulk Supply Operations Business
BST	Bulk Supply Tariff
BSTA	Bulk Supply Transaction Account
NCRE	Non-Conventional Renewable Energy
GDP	Gross Domestic Product
HFO	Heavy Fuel Oil
DL	Distribution Licensee
TL	Transmission Licensee
OPEX	Operational Expenditure
CAPEX	Capital Expenditure
PPA	Power Purchase Agreement
ROA	Return on Asset
ROE	Return on Equity
AWPLR	Average Weighted Prime Lending Rate
CCPI	Colombo Consumer Price Index
PPIUS	Producer Price Index United States of America
O&M	Operation and Maintenance
BST	Bulk Supply Tariff
IPP	Independent Power Producers
ToU	Time of Use

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1. Background

As per the General Policy Guideline amendments communicated in November 2023, the electricity tariff review schedule is revised to a quarterly basis. Accordingly, the Commission directed CEB to submit the tariff proposal for the second tariff revision of 2024, by May 01, 2024, via its letter (Annex 1) dated March 27, 2024.

Accordingly, the end user and bulk supply tariff proposals by CEB, for the second tariff revision of 2024, were received by the Commission on June 07, 2024 (Annex 2). Further, the LECO has also forwarded its concerns over the Commission approved allowed revenue for 2024, through the letter dated May 20, 2024 (Annex 3), for the Commission's consideration.

Commission requested (Annex 4) certain clarifications from CEB and the information are yet to be received. The Commission wishes to consult the stakeholders as required under Section 30(3) of Sri Lanka Electricity Act (SLEA), on this tariff submission and several other tariff related affairs. The process is launched as early as possible to ensure the timely implementation of the tariff revision. Any further analysis by the Commission on further information submitted by CEB will be uploaded in Commissions website during the stakeholder consultation period.

Stakeholders are hereby requested to provide their comments on the matters listed below;

1. Proposed forecast costs by CEB for 2024
2. Proposed Tariff Table by CEB (Rate table attached - Annex 5)
3. Bulk Supply Transaction Account operational guidelines
4. Prepaid electricity tariff scheme
5. Wheeling charges for NCRE

The above matters are described in detail, in the subsequent sections of this document. All stakeholder comments on these shall be sent on or before July 08, 2024, in writing via email, fax or post. An oral consultation session for the same is scheduled to be held on July 9, 2024, in Colombo.

2. Consulted topics

2.1 Proposed forecast costs by CEB for 2024

CEB Cost Submissions

The table below provides a summary of costs filed and approved so far in the year 2024.

Description		Unit	Initial Submission for First Tariff Revision - 2024	Approved Amounts in First Tariff Revision - 2024	Submitted Amounts for Second Tariff Revision - 2024
Generation	Capacity cost	MLKR	135,183	65,368	62,905
	Energy cost	MLKR	351,781	361,111	372,512
Transmission Cost		MLKR	12,321	22,490	22,490
Finance Cost		MLKR	53,911	42,731	27,302
Distribution Cost - CEB		MLKR	133,235	102,962	92,361
Total Cost		MLKR	686,430	594,661	577,570
Total estimated revenue by CEB		MLKR			605,611
Total estimated surplus by CEB		MLKR			28,041
Estimated Jul-Dec 2024 revenue calculated using CEB submission		MLKR			292,578
Percentage reduction as per CEB submitted surplus					9.6%

The Generation energy cost is seen to have increased as compared to the approved cost in March-2024. As per the most recent BST filing by CEB for the second half of 2024, a cost of 210,802 MLKR has been allocated for generation energy from July to December – 2024. Accordingly, 161,710 MLKR of energy cost is filed for the first half of 2024.

The CEB tariff proposal considers a low hydro dispatch for the final quarter of 2024, with the anticipation of a dry period. CEB is requested to justify this consideration with firm meteorological information sources, and this is pending. Further, the demand forecasted for the upcoming months during the previous tariff revision has been increased under this submission. The expensive thermal generation is also increased to cater this increased demand, while catching up for the reduced hydro dispatch. These changes are identified as the main reasons for the generation energy cost increase. The changes to these values are shown in the table below.

Description	Unit	Value for 2024		
		Submitted for First tariff Revision -2024	Submitted for Second tariff Revision -2024	Change
Net Generation Demand	GWh	16,033	16,638	605
Major Hydro Inflow	GWh	4,233	4,196	(37)
Major Hydro Generation	GWh	4,505	4,474	(31)
Thermal Generation	GWh	8,308	8,872	564

The reasonability of these variations is to be validated during the tariff review process.

LECO Cost Submissions

LECO has raised two main concerns over the Commission approved allowed revenue for 2024.

1. Inadequacy of OPEX approved for 2024.
2. OPEX Claw back performed for over forecasted OPEX of 2021

The LECO OPEX submissions and approved value for 2024 is provided in the table below along with the actual expenditure from year 2021 to 2023.

Cost Item	Unit	2021 OPEX	2022 OPEX	2023 OPEX	2024 OPEX		
					Initially Submitted Amount for First Tariff Revision - 2024	Approved Amount in First Tariff Revision - 2024	Resubmitted Amount for Second Tariff Revision - 2024
Personal Expenses	MLKR	3,403	4,307	4,710	Breakdown not submitted	Breakdown not submitted	Breakdown not submitted
Material Cost	MLKR	1,055	3,458	2,783			
Accommodation Expenses	MLKR	-	-	-			
Transport & Communication Expenses	MLKR	42	111	113			
Other Expenses	MLKR	-	-	-			
Finance Cost	MLKR	205	181	133			
Total	MLKR	4,706	8,056	7,739	12,226	8,032	9,730

It is noticed that the OPEX requested under the resubmission is about 25% higher than the actual OPEX of LECO for 2023. Therefore, the reasonability of category-wise cost increases needs to be justified.

Revenue Surplus of CEB for period January-March 2024

The revenue surplus of CEB for period January-March 2024, as extracted from the CEB accounts submitted to the Colombo Stock Exchange is shown below.

Description	Unit	Amount (for the three-months ended 31 st March 2024)
Total Revenue (including Other Income & gains and Finance Income)	MLKR	198,673
Total Cost (including Finance Cost)	MLKR	114,002
Profit/(Loss) before income tax	MLKR	84,671
Gain on share disposal	MLKR	25,957
Profit excluding gain on share disposal	MLKR	58,714

2.2 Proposed Tariff Table by CEB

The tariff table proposed by CEB is provided in Annex 5. These rates result in the following average revenue changes from each consumer category, as per the sales forecasts submitted by CEB and LECO.

Category		% Change in Revenue
Domestic Overall		-25.5%
Domestic	0-30	-9.2%
	31-60	-27.0%
	61-90	-33.0%
	91-180	-28.2%
	180<	-18.4%
	D-TOU	-18.6%
General Purpose		-15.9%
Government		-13.6%
Hotel Purpose		0.0%
Industrial Purpose		0.0%
Religious & Charitable Purpose		-3.0%
Streetlamp		0.0%
Overall		-13.8%

CEB proposed rate table provides a 13.8% overall tariff reduction which is higher than its estimated surplus percentage of 9.6%, mentioned above.

2.3 Bulk Supply Transaction Account operational guidelines

Bulk Supply Transaction Account (BSTA) is the account to be maintained by the Bulk Supply Operations Business (BSOB) unit of the Transmission Licensee (TL). This account is useful in monitoring the financial state of the electricity sector. The BSTA balance would be indicative of cost-revenue cash flow mismatches and hence this can be used for initiating automatic end user tariff adjustments to rectify the mismatches. The detailed explanation on the BSTA and proposed operational guidelines are provided in the Annex 6 and presented for stakeholder comments.

2.4 Prepaid electricity tariff scheme

As per the Commission directives provided with the February-2023 tariff revision, LECO has forwarded an optional pre-paid tariff proposal (Annex 7) for retail consumers under Domestic, Religious, General Purpose, Industrial and Hotel, consumer categories.

Incremental block tariffs are proposed for Domestic and Religious purpose consumers considering a one-month (30 days) consumption period. Flat tariffs are proposed for the other consumer groups. All these tariffs are inclusive of energy and fixed cost components. The proposed prepaid rates under existing Commission approved postpaid tariffs are as follows.

Consumer Block	Prepaid Unit Charge (Rs./kWh)				
	Domestic	Religious	General Purpose 1 (GP-1)	Industry 1 (I-1)	Hotel 1 (H-1)
0 to 90	25.00	13.00	45.00	23.00	23.00
Above 90	75.00	43.00			

Above tariff rates have been determined existing Commission approved tariffs and the pre-paid rates shall also be revised along with the conventional postpaid tariffs.

Therefore, the Commission propose to use an optimization algorithm that provides the prepaid rates to achieve the minimum cumulative bill difference between bills calculated with the applicable Commission approved postpaid rates and prepaid rates, for each consumer block under consideration.

The rate calculation algorithm is explained further in Annex 8.

Further it is proposed to implement the above-mentioned pre-paid tariffs as an optional tariff for the relevant consumer groups, subjected to following operational guidelines.

1. The pre-paid tariff rates are subjected to the end user tariff revisions. The pre-paid rates will also be determined by the Commission during the end user tariff revisions.
2. At the time of signing the pre-paid tariff agreement, the consumer must be made aware of the anticipated difference in the bill compared to post-paid monthly bill by relevant DL.
3. A viewing facility must be provided to the consumers to see the energy consumption and pre-paid balance at all times.
4. Consumers must be provided with the option of switching back to the post-paid tariffs at any stage (one time without charges), subjected to the completion of the ongoing billing cycle. Further no initial charge shall be applicable for consumers opting for pre-paid tariff for first instance.
5. As required under the Section 31, of the Sri Lanka Electricity Act No. 20 of 2009, disconnection notice shall be sent to the pre-paid consumers 10 days in advance. This shall be initiated by considering the average 10-day consumption during the previous billing cycle and pre-paid balance at a given time. (i.e : Disconnection notice sent, if the pre-paid balance at any given time is insufficient to supply the average 10-day consumption from the previous billing cycle). Notice shall be sent by email as well as SMS.

2.5 Wheeling charges for NCRE

The Cabinet Decision CP/24/0822/621/046, dated May 23, 2024, has introduced power wheeling facility for new renewable energy projects. This decision has also assigned the regulatory function of determining wheeling charges to the Commission. Accordingly, the following mechanism is proposed for calculating these wheeling charges and presented for the stakeholder comments.

The Commission proposes following wheeling charges (provided the wheeling is legally enabled) subject to following condition;

Condition:

Wheeling consumer shall be a consumer billed based Time of Use (TOU) tariff category; domestic consumers have the option to move to the optional TOU tariff, other retail consumers will be given an optional TOU tariff in this tariff review.

Wheeling charges shall consist following charges;

- **Network cost component calculated as below;**
Network cost (Rs./kWh) = (Distribution Allowed Revenue/forecast sales of DL) + (10% of Transmission Allowed Revenue/forecast sales of TL)

DL – Distribution Licensee where the consumer is connected
- **Retail service price cap;**
Will be same as retail service price cap of the of DL. (Rs./consumer)

DL – Distribution Licensee where the consumer is connected
- **Cross subsidy surcharge;**
Cross subsidies are available in the existing tariff. Therefore, in order to retain the additional revenue of consumers moving to wheeling option will be charged through a cross subsidy surcharge.
- **Banking charges;**
Consumption and generation will be set-off within each TOU intervals. However, if the generator and consumer is willing to transfer additional generation to another interval, banking charges (Rs./kWh) has to be paid

Notes –

- Allowed revenue and retail service price cap of each licensee is given in the Commission's Bulk Supply Tariff decision.
- Consumer has to bear the network loss
- Consumer will continue to pay the maximum demand charge but not the fixed charge of his monthly bill
- Distribution of wheeling charges among the licensees will be done in the quarterly UNT adjustment calculation.



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இலங்கைப் பொதுப் பயன்பாடுகள் ஆணைக்குழு
PUBLIC UTILITIES COMMISSION OF SRI LANKA

Annex - 1



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உமது இல. }
Your No. }

අපේ අංකය }
எமது இல. }
Our No. }

PUC/E/Tariff/01

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திகதி }
Date }

March 27, 2024

Dr. N. De Silva
Actg. General Manager
Ceylon Electricity Board

Second Electricity Tariff Revision - 2024

Reference is made to the Section 30 of Sri Lanka Electricity Act No. 20 of 2009, and the Commission letter (Ref: PUC/E/Tariff/01), dated March 12, 2024, containing the decision document for the January – March Electricity Tariff revision for 2024.

The Commission has decided to conduct the second tariff revision for 2024, to be effective from July 1, 2024. Therefore, you are hereby directed to submit a tariff filing for the same, including a Bulk Supply Tariff filing for the second half of 2024 and any other cost/revenue variation for year 2024. The submission shall be received by the Commission, before May 1, 2024.

Damitha Kumarasinghe
Director General

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

06 ஆவது மாடி, இலங்கை வங்கி வர்த்தகக் கோபுரம்,
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Your ref:

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

Date: June 6, 2024

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

Dear Sir,

DGM (CS)
for the action
approve the revision
07/06/24



As per the
FOA
Santhana
07/06/24

Second Electricity Tariff Revision – 2024

This has reference to the following documents on the electricity Tariff Revision 2024.

1. Cabinet Paper No. 24/0574/621/017-I, a Note to the Cabinet dated 2024-03-20 submitted by the Minister of Power and Energy on Electricity Tariff Revision – 2024 and the Cabinet Decision dated 2024-03-25 on the same.
2. PUCSL letter dated 2024-03-27 regarding above subject.

Accordingly, the proposal for the second electricity tariff revision for 2024 is submitted herewith as Annex I. Bulk Supply Tariff (BST) templates for the 2nd half of the year 2024 are forwarded herewith (Annex II). The salient points of the tariff revision proposal are explained below.

1. Background

In accordance with the Cabinet Decision dated October 30, 2023, based on Cabinet paper No. 23/2066/621/092, the General Policy Guidelines for the Electricity Industry have been amended. The bi-annual tariff revision period has been adjusted to a quarterly basis to better reflect the costs associated with generation, transmission, and distribution. Based on that policy directive, CEB submitted the first tariff proposal for 2024 on 2024-01-12 and PUCSL granted approval for the same with effect from 2024-03-05, subjected to subsequent revisions to the original tariff proposal capturing the latest financial circumstances prevailed at that time.

2. Financial Situation of CEB

According to the CEB Statutory Accounts, the accumulated financial losses incurred over the period from 2013 to 2023 amount to LKR 412.1 billion. The detailed breakdown of these losses is as follows. These figures reflect the ongoing financial challenges faced by the CEB over the past decade.

Description	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023*	Total
Net Profit/ (Loss) after Tax BLKR	22.3	-17.3	20.3	-14.5	-47.6	-31.9	-97.3	-69.2	-34.6	-203.5	61.2	-412.1

*unaudited

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2024	Net Gen. Forecast (GWh)	Actual Net Generation (GWh)	Increase (%)
January	1,293	1,324	2.4%
February	1,204	1,312	9.0%
March	1,385	1,463	5.6%
April*	1,276	1,358	6.4%

*Provisional

Considering the above factors, a 3% additional demand rise was assumed for the next nine months in 2024 amending the total net generation to 16,638 GWh while adding the actuals from January to March.

2024	Jan*	Feb*	Mar*	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total Net Gen. (GWh)	1,324	1,312	1,463	1,358	1,400	1,389	1,444	1,447	1,377	1,407	1,341	1,377	16,638

*Actual

4. Dispatch

According to the report on forecasts of ENSO and IOD issued by the Meteorological Department on 2024-05-06, it is anticipated that above-average rainfall will occur in May, June, and July 2024. Further, at the Monsoon Forum held on 2024-05-07, the Meteorological Department informed that the second inter-monsoon which is spanning from October to November is likely to fail due to the development of the La Niña effect.

The previously scheduled Level A overhaul for Unit 1 of Lakvijaya Power Station (100 days outage) has been rescheduled from October to December. Following the Commission's March 2024 Tariff Decision, supplementary plants were excluded from the generation dispatch forecast.

Considering the above, the inflow forecast to the reservoirs and hydro generation forecast has been revised. The 120 MW Uma Oya hydropower plant has been added to the system from January 2024 onwards. The Sobadanavi Thermal Plant (212 MW) is expected to be available in open cycle mode from June 2024 onwards. The summary of the revisions done on the dispatch is depicted below.

GWh	2023 (Actual)	2024 Dispatch Forecasts Prepared for Tariff Revisions	
		1 st Revision	2 nd Revision
Net Generation	15,588	16,033	16,638
Inflow	4,902	4,233	4,196
Hydro Generation	4,573	4,505	4,474
Thermal Generation	7,780	8,308	8,872
NCRE	3,235	3,219	3,292

5. Sales Forecast

The sales forecast prepared for the first tariff revision has been updated alongside the revision of monthly net generation projections from May to December 2024. An analysis of CEB sales data reveals a consistent upward trend in demand among Industrial and General-Purpose customers. Additionally, there has been a significant growth in electricity demand from the Hotel category.

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Total revised sales for the year 2024 is 15,043 GWh. The share of LECO demand is taken as 1,776 GWh from the 33 kV boundary. The customer number forecast was also adjusted as per the actual records from January to April 2024.

2024	CEB End User Customers	CEB End User Sales Units	LECO 33 kV Sales Units	Total Sales units
	(Nos.)	(GWh)	(GWh)	(GWh)
January*	7,030,288	1,067	132	1,199
February*	7,038,826	1,051	130	1,181
March*	7,046,737	1,143	147	1,290
April*	7,054,620	1,096	135	1,230
May	7,062,472	1,115	154	1,270
June	7,070,332	1,107	153	1,260
July	7,078,202	1,150	159	1,309
August	7,086,080	1,153	159	1,313
September	7,093,966	1,097	152	1,249
October	7,101,862	1,121	155	1,276
November	7,109,766	1,069	148	1,217
December	7,117,680	1,098	152	1,249
Total		13,268	1,776	15,043

**Actual sales and customer number*

6. Revenue

The actual sales revenue from both CEB end-user customers and LECO bulk sales for the period from January to April 2024 has been included in the revenue calculation. This includes estimated values based on current actual sales data calculated for May. The forecasted revenue for CEB from June to December considers the bulk sale transfer prices to LECO, set at 38.47 LKR/kWh for the first half of 2024 and 35.87 LKR/kWh for the second half, as provided by LECO. The total estimated revenue for 2024 from the existing tariff is LKR 605,611 million.

7. Expenditure

The total expenditure for 2024 of CEB has been revised considering actual generation dispatch for the 1st four months and due to the accommodation of unforeseen additional OPEX and CAPEX of licensees. The updated revenue filing models for all Distribution Licensees are submitted for the Commission's consideration. Additionally, it should be noted that CEB reported non-working conditions in the transmission revenue filing templates during the previous tariff submission. Since the Commission has not yet rectified this error, the necessary costs for the Transmission Licensee have been updated in the BST model under the BSOB working capital allowance for the second half of 2024.

7.1. Common Expenditure for all Licensees

It has been identified that all licensees require additional OPEX for 2024, which was not anticipated in the March tariff filing, to cover several specific obligations and provisions as follows.

- Allocation of funds for the payment of living expenses allowance to CEB employees, as mandated by the provisions in Management Services Circular no. 01/2024 dated January 12, 2024.
- Fund requirement for the payment of incentives against unavailed sick leave for the year 2021.

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- To settle the outstanding annual regulatory levy of PUCSL for the years 2014 and 2015.

7.2. Expenditure Specific for Generation Licensee

The composite Power Purchase Agreement (PPA) between the Generation and Transmission Licensees of CEB sets out pricing terms for capacity and energy transactions within the board, while separate agreements with Independent Power Producers (IPPs) and Small Power Producers (SPPs) determine pricing for their contributions. For CEB Thermal Power Plants, the energy price encompasses startup costs, variable operation and maintenance (O&M) expenses, and fuel costs based on specific consumption rates. The costs associated with IPPs and SPPs are covered by their respective PPAs. Hydroelectric and Wind Power energy costs are considered zero. Fuel pricing is based on actual invoiced or tender prices from suppliers, with updates made to fuel prices and exchange rates as of May 2024, including revisions to VAT where applicable.

In the determination of generation costs, significant changes have been noted for the upcoming year. Firstly, an increase of 605 GWh has been added to the total net Generation demand forecast, necessitating adjustments in associated costs. Additionally, variations in fuel costs and exchange rates have impacted the overall operational expenses of power generation. The table below provides a detailed reference for these fluctuations.

	Description	2024	
		March	June
1	Auto Diesel (Rs./l)	358.00	317.00
2	Furnace oil (Rs./l)	209.00	181.00
3	Naphtha (Rs./l)	163.00	197.06
4	Coal (Rs./kg)	53.51	48.73
5	Ex. Rate (Rs./USD)	327.46	305.19

Secondly, the inclusion of LKR 2,012 million for essential generation CAPEX has been considered, resulting in an approximate increase of LKR 200 million in the total loan component, covering both interest and capital. This revised generation CAPEX requirement for the year 2024 is detailed in Annex III, outlining the updated financial parameters and investment needs for sustaining and expanding generation capacity in accordance with projected demand increases and operational considerations.

Generation capacity costs for each CEB power plant involve major CAPEX structured as monthly loans from commercial banks. This strategic approach alleviates tariff rate burdens from capital-intensive projects. Converting major CAPEX into monthly loan arrangements spreads the financial impact over time, moderating immediate cost escalation in electricity tariffs. This approach was authorized by the Commission in the last Tariff Decision.

7.3. Expenditure Specific for Transmission Licensee

The Commission has approved LKR 22,490 million from the previous Tariff Decision in March 2024 for the Transmission Allowed Revenue and Bulk Supply Operation Business for the Transmission Licensee.

It has been identified that the following additional OPEX is required for the year 2024.

- Provisions for the settlement of liability associated with SSCL for the Transmission Licensee.

Moreover, additional funds are required for ICG to be used in the following CAPEX projects.

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- For wayleave and land compensation relevant to the Collector GSS at Pooneryn and 35 km, 220 kV Zebra double circuit line.
- For the Green Power Development & Energy Efficiency Improvement Project.
- For Moragolla Hydro Power Project.

The total additional allowed revenue requirement for the above OPEX and CAPEX of the Transmission Licensee is LKR 7,350 million. The same has been included in the BST model prepared for the second half of the year 2024 and submitted herewith for the approval of the Commission.

7.4. Expenditure Specific for Distribution Licensees

The Commission previously approved a total distribution cost of LKR 102,961.60 million for all CEB Distribution Licensees (DLs) in the March 2024 Tariff Decision. However, subsequent assessments have revealed unforeseen OPEX and CAPEX requirements that were not accounted for during the last tariff determination process. Apart from DL1, other DLs have filed curtailed allowed revenue portions as directed by the Commission in the previous tariff filing.

In terms of CAPEX, there are two ongoing distribution projects administered by the CEB Projects Division. One project involves implementing a distribution SCADA system for DL4, while the other aims to enhance the medium voltage network across all four DLs under the Supporting Electricity Supply Reliability Improvement Project (SESRIIP). Both projects are financed through a loan obtained from the Asian Development Bank. Notably, the ICG requirements for these projects were not factored into the March 2024 tariff filing. However, after discussions with PUCSL, it is confirmed that these 2024 requirements can be included in the current tariff revision. The summary statement of the loan is attached herewith as Annex IV.

Additionally, recent PUCSL approvals for 2024 allowed charges have led to a significant policy change in network development for new connection requests. Previously, customers financed 50% of relevant costs, as outlined in the March 2024 filing. However, under the new policy, DLs are required to cover up to a cost of Rs. 400,000.00 per customer as LV/MV network development costs without additional charges from the customers for new connections. This policy change necessitates DLs to forecast and file additional CAPEX to meet their allowed revenue requirements for 2024. The detailed summary of these CAPEX and OPEX additions (Annex V), along with updated revenue filing models for CEB DLs, is attached for the Commission's consideration.

The total additional distribution revenue requirement resulting from these adjustments is estimated at LKR 7,921 million.

8. Conclusion

As per Clause 5.2 of the Tariff Methodology published by PUCSL, end user customer tariff is to be filed considering CEB revenue requirements. CEB has analyzed all possible scenarios to approach the best estimate of expenditure and revenue based on many factors such as existing tariffs, availability of coal/oil fuel stocks, future fuel prices, hydro inflow variations, scheduled plant outages and additions, interest rates, envisioned economic recovery resulting in the increase of energy demand and sales, adjustments to approved allowed revenues of transmission and distribution, various policy instructions of Government, etc. to derive the BST and the end-user tariff proposal. This results in a marginal decrease of the average tariff by 0.36%.

Given the current momentum within the sector, it has been decided not to file additional costs for Transmission Licensee at this juncture. A thorough review of the actual expenditures over the past four

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months, along with the planned work and cash flow for the remainder of the year will be further studied and will file in the next tariff revision in October 2024.

Similarly, the actual OPEX and CAPEX incurred by all four Distribution Licensees over the past four months have been closely monitored. Taking into account the present climate conditions, scheduled future activities that will impact the interruption plan, available workforce, and the prioritization of projects, the planned CAPEX workload for each Distribution Licensee has been adjusted. Consequently, a reduction of LKR 10,600 million has been made from the total approved capital remuneration of LKR 29,623 million.

Given the uncertainties in the predictions, the CEB requests the Commission's approval to cover all CAPEX and OPEX requirements within the revised limits of the Distribution Allowed Revenue, without restricting the expenses to specific categories. Additionally, we are currently evaluating the possibility to restart of previously halted distribution projects that were funded by multinational donor agencies through Distribution Divisions. The expenses of these projects will be filed during the upcoming tariff revision in October 2024.

Furthermore, the finance cost has been revised to reflect the updated Average Weighted Prime Lending Rate from 12% to 9.65% and the improved financial position of the CEB over the past four months.

The summary of expenditures considered for the tariff revision is tabulated below.

Description	Unit	Amount after the adjustments	Source
Generation - Energy Cost	MLKR	372,512	BST 2024
Generation - Capacity Cost	MLKR	62,905	BST 2024
Transmission Allowed Revenue	MLKR	22,490	PUCSL Decision Document dated 2024-03-12
Finance Cost	MLKR	27,302	Latest forecast
Distribution Allowed Revenue	MLKR	92,361	Revised as above
Total Cost	MLKR	577,569	-
Estimated Revenue	MLKR	605,611	Latest Forecast
Surplus/(Deficit)	MLKR	28,042	-

Based on the above analysis a surplus of LKR 28,042 is noted and the surplus can be used for the reduction of average tariff by 4.63%. In the circumstance, to pass the surplus to the electricity consumers of the country, the Board has approved a tariff reduction for the period July - October 2024.

The new tariff proposal has been prepared considering a relief for domestic, religious and the sectors that already have higher electricity rates based on policy instructions of MOPE. Accordingly, the surplus has been allocated to all categories of the Domestic, Religious, General Purpose and Government categories by reducing the average electricity bill for the category by 26%, 3%, 16% and 14% respectively. Further an abnormality in setting the rates of Agriculture – Optional TOU tariff has been corrected as per the original directives from the MOPE.

Accordingly, the revised tariff proposal for 2024 which is to be implemented with effect from 1st July, 2024 and approved by the Board is submitted herewith to the Commission for approval and implementation, please.

Yours faithfully

CEYLON ELECTRICITY BOARD

Eng. (Dr.) Narendra De Silva

Actg. General Manager

Ceylon Electricity Board

Eng. (Dr.) Narendra De Silva

Actg. General Manager

Copy to Ceylon Electricity Board

- | | |
|--|---------------|
| 1. Secretary to the Treasury | - fi & na pl. |
| 2. Chairman, PUCSL | - fi & na pl. |
| 3. Ms. Chathurika Wijesinghe, member PUCSL | - fi & na pl. |
| 4. Mr. Douglas N. Nanayakkara, member PUCSL | - fi & na pl. |
| 5. Mr. SG Senaratne, member PUCSL | - fi & na pl. |
| 6. Mr. Ranjith Kaluthanthirige, member PUCSL | - fi & na pl. |
| 7. Chairman, CEB | - fi pl. |
| 8. Addl. GM (CS) | - fi pl. |
| 9. FM, CEB | - fi pl. |

Despite continuous financial losses since 2013, which have challenged the CEB's ability to sustain operations and ensure a reliable, 24/7 power supply, the CEB has managed to service some debts to IPPs, NCRE developers, Solar RT power producers, and material suppliers following tariff revisions. The accumulated total major payable balances incl. project loans still stand at an unprecedented level of LKR 359 billion as of 2024-04-30 as follows.

Major Creditors	As at 30.04.2024 (MLKR)
CPC - Payables	1,229
IPP - Payables including Delay Int	16,547
NCRE - Payable including Delay Int	9,085
Total - Major Creditors	26,862
Short-term Payables	
Settlements to Coal Purchases	
VAT Deferred Amount (2022/23 and 2023/24 Shipments)	10,226
Payments to Lanka Coal	8,471
Other Coal Related Payables	138
LCs - LC & TT payments - Outstanding	7,155
Solar Rooftop Payables	350
Local Supplier Payables	1,396
Projects - Uma Oya	108
- Other Projects	264
CMEC - LVPP - O&M expense	4,569
Total - Short-term Payables	32,676
Term Loans to finance Working Capital	
Peoples Bank	51,906
NSB	5,000
BOC	14,484
Seylan Bank	3,104
NTB	6,208
Net Bank Overdraft	18,952
Total-Term Loans	99,655
Senior Unsecured Listed Redeemable Rated Debentures	20,000
Project Loans	
Treasury Sub Loans	63,673
Broadland Hydro Power Project (HNB+PB+ICB)	15,582
Asian Development Bank	100,445
Total - Project Loans	179,700
Grand Total - Loans & Major Payables	358,893

3. Generation Forecast

In the first tariff revision of 2024, CEB has predicted approximately a 4% growth in electricity demand for the year 2024 considering the economic growth predictions of the Central Bank of Sri Lanka and the 2023 actual demand. The forecasted net generation demand in the first tariff revision was 16,033 GWh.

However, from February 2024 onwards, an increase in electricity demand has been observed compared to the original net generation forecast as below.

OFFICE OF THE GENERAL MANAGER

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		EXISTING TARIFF						PROPOSED TARIFF							
EFFECTIVE FROM (for each 30 - day billing period)		2024-03-05						2024-07-01							
DOMESTIC															
		Energy Charge (Rs./kWh)		Fixed Charge (Rs./mth)				Energy Charge (Rs./kWh)		Fixed Charge (Rs./mth)					
Consumption 0 - 60 kWh per month															
Block 1 : 0 - 30 kWh		8.00		150.00				6.00		150.00					
Block 2 : 31 - 60 kWh		20.00		300.00				9.00		300.00					
Consumption above 60 kWh per month															
Block 1 : 0 – 60 kWh		25.00		N/A				15.00		N/A					
Block 2 : 61 – 90 kWh		30.00		400.00				18.00		400.00					
Block 3 : 91 – 120 kWh		50.00		1,000.00				30.00		1,000.00					
Block 4 : 121 – 180 kWh		50.00		1,500.00				42.00		1,500.00					
Block 5 : 181 kWh and above		75.00		2,000.00				65.00		2,000.00					
Optional Time of Use (ToU) Electricity Tariff for Dom. Consumers															
Day (05:30 – 18:30 hrs)		70.00		2,000.00				56.00		2,000.00					
Peak (18:30 – 22:30 hrs)		90.00						72.00							
Off Peak (22:30 – 05:30 hrs)		30.00						24.00							
RELIGIOUS & CHARITABLE INSTITUTIONS															
Consumption 0 - 180 kWh per month															
Block 1 : 0 – 30 kWh		8.00		150.00				6.00		150.00					
Block 2 : 31 – 90 kWh		9.00		250.00				9.00		250.00					
Block 3 : 91 – 120 kWh		18.00		600.00				18.00		600.00					
Block 4 : 121 – 180 kWh		32.00		1,500.00				30.00		1,500.00					
Block 5 : 181 kWh and above		43.00		2,000.00				42.00		2,000.00					
OTHER CONSUMER CATEGORIES		Industrial		Hotel		General Purpose / Government		Industrial		Hotel		General Purpose / Government			
Volume differentiated monthly consumption		IP 1-1 (≤ 300 kWh/mth)	IP 1-2 (> 300 kWh/mth)	H 1-1 (≤ 180 kWh/mth)	H 1-2 (> 180 kWh/mth)	GP/GV 1-1 (≤ 180 kWh/mth)	GP/GV 1-2 (> 180 kWh/mth)	IP 1-1 (≤ 300 kWh/mth)	IP 1-2 (> 300 kWh/mth)	H 1-1 (≤ 180 kWh/mth)	H 1-2 (> 180 kWh/mth)	GP/GV 1-1 (≤ 180 kWh/mth)	GP/GV 1-2 (> 180 kWh/mth)		
Rate 1 Supply at 400/230 V Contract demand <= 42 kVA	Energy Charge (Rs. /kWh)	13.50	21.50	13.50	21.50	33.00	43.00	13.50	21.50	13.50	21.50	26.40	34.40		
	Fixed Charge (Rs./mth)	300.00	1,000.00	300.00	1,000.00	600.00	1,500.00	300.00	1,000.00	300.00	1,000.00	600.00	1,500.00		
Rate 2 Supply at 400/230 V Contract demand > 42 kVA	Energy Charge (Rs./kW)	Day (05:30 – 18:30 hrs)		30.50		30.50		45.00		30.50		30.50		38.25	
		Peak (18:30 – 22:30 hrs)		37.00		37.00		55.00		37.00		37.00		46.75	
		Off Peak (22:30 – 05:30 hrs)		25.50		25.50		37.00		25.50		25.50		31.45	
	Demand Charge (Rs./kVA)		1,500.00		1,500.00		1,500.00		1,500.00		1,500.00		1,500.00		
	Fixed Charge (Rs./mth)		5,000.00		5,000.00		5,000.00		5,000.00		5,000.00		5,000.00		
Rate 3 Supply at 11 kV & above	Energy Charge (Rs./kW)	Day (05:30 – 18:30 hrs)		30.00		30.00		44.00		30.00		30.00		37.40	
		Peak (18:30 – 22:30 hrs)		36.00		36.00		54.00		36.00		36.00		45.90	
		Off Peak (22:30 – 05:30 hrs)		24.50		24.50		36.00		24.50		24.50		30.60	
	Demand Charge (Rs./kVA)		1,400.00		1,400.00		1,400.00		1,400.00		1,400.00		1,400.00		
	Fixed Charge (Rs./mth)		5,000.00		5,000.00		5,000.00		5,000.00		5,000.00		5,000.00		
STREET LIGHTING															
Street Lighting (Rs./kWh)		45.00						45.00							
EV CHARGING OF CEB CHARGING STATIONS		DC Fast Charging (Rs./kWh)		Level 2 AC Ch. (Rs./kWh)				DC Fast Charging (Rs./kWh)		Level 2 AC Ch. (Rs./kWh)					
Day (05:30 – 18:30 hrs)		109.00		87.00				109.00		87.00					
Peak (18:30 – 22:30 hrs)		139.00		112.00				139.00		112.00					
Off Peak (22:30 – 05:30 hrs)		66.00		50.00				66.00		50.00					
AGRICULTURE - Optional Time of Use (ToU) Electricity Tariff		Energy Charge (Rs./kWh)		Fixed Charge (Rs./mth)				Energy Charge (Rs./kWh)		Fixed Charge (Rs./mth)					
Rate 1 Supply at 400/230V Contract demand <= 42 kVA	Day (05:30 – 18:30 hrs)	33.00		1,000.00				30.50		1,000.00					
	Peak (18:30 – 22:30 hrs)	37.00				37.00									
	Off Peak (22:30 – 05:30 hrs)	28.00				13.50									

Bulk Supply Tariff **July - Dec 2024**

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Capacity Charge

Month	Unit	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Capacity Charge	Generation capacity						
	Transmission	2,208,332.15	2,353,723.43	2,414,258.53	2,428,232.55	2,388,009.02	2,451,320.93
	Bulk Supply Service	692,002.34	719,047.84	744,194.12	737,154.04	728,989.55	737,827.16
		1,304,487.57	1,661,044.44	2,241,853.88	1,469,744.48	1,435,112.42	1,539,562.04
BST (C)	SLR/MW	4,204,822.06	4,733,815.72	5,400,306.53	4,635,131.08	4,552,110.99	4,728,710.12

BST (C)	SLR/MW	4,702,484.09
6-Month Weighed average		

Energy Charge

Month	Unit	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Block1	Transmission Loss Factor B1						
BST (E1)	Generation energy Cost B1	3.40%	3.40%	3.40%	3.40%	3.40%	3.40%
		20.60	19.68	19.58	28.25	33.99	34.00
	SLR/kWh	21.30	20.35	20.24	29.21	35.14	35.15
Block 2	Transmission Loss Factor B2						
BST (E2)	Generation energy Cost B2	4.34%	4.34%	4.34%	4.34%	4.34%	4.34%
		26.78	25.58	25.45	36.72	44.18	44.20
	SLR/kWh	27.94	26.69	26.56	38.32	46.10	46.11
Block 3	Transmission Loss Factor B3						
BST (E3)	Generation energy Cost B3	2.41%	2.41%	2.41%	2.41%	2.41%	2.41%
		12.36	11.81	11.75	16.95	20.39	20.40
	SLR/kWh	12.66	12.09	12.03	17.36	20.88	20.89

E1 - Day
E2 -peak
E3 -off peak

BST (E1)	SLR/kWh	26.77
6-Month Weighed average		
BST (E2)	SLR/kWh	35.12
6-Month Weighed average		
BST (E3)	SLR/kWh	15.91
6-Month Weighed average		

Generation Capacity Cost

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Remarks :Added Sobadhanavi

Item\Month	Unit	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
System Coincidental Peak demand	MW	2543	2448	2365	2387	2414	2385

Capacity Payment		Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Plant\Month	Unit						
Mahaweli	Mn. SLR	463.5	465.3	475.9	488.9	492.2	493.2
Laxapana	Mn. SLR	434.9	434.9	434.9	436.5	439.1	449.4
Samahala	Mn. SLR	227.8	227.8	227.8	239.9	240.5	241.5
Mannar Wind	Mn. SLR	645.6	645.9	646.2	646.5	646.8	647.2
DSP1	Mn. SLR	110.2	110.2	113.6	117.0	117.0	120.6
DSP2	Mn. SLR	97.6	97.6	97.6	101.0	101.0	101.0
GT16	Mn. SLR	52.9	52.9	52.9	52.9	52.9	52.9
GT07	Mn. SLR	95.0	98.3	98.3	98.3	98.3	98.3
CCKP	Mn. SLR	99.0	158.5	99.0	99.0	99.0	101.1
CCKP 02	Mn. SLR	91.3	131.9	131.9	92.4	92.4	92.4
CPUT	Mn. SLR	1,262.9	1,297.2	1,335.4	1,380.8	1,390.3	1,396.5
DNCHU	Mn. SLR	32.1	32.2	35.8	35.8	35.8	39.7
Island Gen	Mn. SLR	11.2	11.2	11.2	11.2	11.2	11.2
BARGE	Mn. SLR	59.4	63.0	63.0	63.0	66.7	66.7
30MW Hambantota	Mn. SLR	27.7	28.4	31.6	28.4	29.2	29.2
20MW Mathugama	Mn. SLR	18.5	19.0	21.1	19.0	19.4	19.4
CCKW	Mn. SLR	1,380.4	1,380.4	1,340.2	1,380.4	1,340.2	1,380.4
SGPS (100MW)	Mn. SLR	0.0	0.0	0.0	0.0	0.0	0.0
DEMB	Mn. SLR	0.0	0.0	0.0	0.0	0.0	0.0
DMAT	Mn. SLR	0.0	0.0	0.0	0.0	0.0	0.0
Sobadhanavi	Mn. SLR	506.3	506.3	493.0	506.3	493.0	506.3
RENW	Mn. SLR	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	Mn. SLR	5,616.3	5,760.9	5,709.4	5,797.3	5,765.1	5,847.1
Depreciation	Mn. SLR						
ROE	Mn. SLR						
Generation Capacity cost	Mn. SLR	5,616.3	5,760.9	5,709.4	5,797.3	5,765.1	5,847.1

Generation Capacity cost

Unit	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
SLR/MW	2,208,332.15	2,355,723.43	2,414,258.53	2,426,232.55	2,388,009.02	2,451,320.93
Generation Capacity cost						

Plant\Month		Energy price and Energy generated in each plant							
		Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24		
Unit		485.750	367.723	367.852	296.364	229.816	211.466		
Mahaweli	GWh								
	SLR/kWh								
Laxapana	GWh								
	SLR/kWh								
Samanala	GWh								
	SLR/kWh								
Mananr wind	GWh	45.596	44.400	42.214	18.611	12.460	18.190		
	SLR/kWh								
DSP1	GWh	25.082	24.601	20.417	30.355	29.376	30.355		
	SLR/kWh	48.36	49.49	50.85	48.22	48.40	48.22		
DSP2	GWh	37.923	37.105	32.258	38.167	36.936	38.167		
	SLR/kWh	43.41	43.50	44.13	43.39	43.52	43.39		
GT16	GWh	0.000	0.000	0.000	0.000	0.000	0.000		
	SLR/kWh	0.00	0.00	0.00	0.00	0.00	0.00		
GT07	GWh	0.0	0.0	0.0	0.0	0.0	0.0		
	SLR/kWh	0.00	0.00	0.00	0.00	0.00	0.00		
CCKP	GWh	67.0	0.0	19.8	91.7	92.1	91.6		
	SLR/kWh	55.76	0.00	58.03	60.24	60.31	60.23		
CCKP 02	GWh	15.0	0.0	0.0	66.3	93.4	93.5		
	SLR/kWh	76.27	0.00	0.00	71.73	70.82	70.83		
CPUT	GWh	349.5	524.3	451.6	349.5	338.3	349.5		
	SLR/kWh	22.44	21.74	21.89	22.44	22.52	22.44		
DNCU	GWh	9.3	10.4	7.9	10.4	11.5	11.8		
	SLR/kWh	43.56	43.27	44.05	43.27	43.06	42.98		
Island Gen	GWh	0.20	0.20	0.2	0.2	0.2	0.2		
	SLR/kWh	103.05	103.05	103.05	103.05	103.05	103.05		
BARGE	GWh	34.1	36.2	32.0	34.1	33.0	34.1		
	SLR/kWh	44.3	44.1	44.6	44.3	44.5	44.3		
30MW Hambantota	GWh	1.649	0.026	0.000	0.274	4.544	4.652		
	SLR/kWh	89.83	211.74	0.00	99.51	88.61	88.59		
20MW Mathugama	GWh	1.136	0.120	0.000	0.371	3.182	3.169		
	SLR/kWh	91.03	107.05	0.00	94.96	89.87	89.87		
CKKW	GWh	117.0	93.1	84.0	158.1	128.2	157.0		
	SLR/kWh	46.64	46.75	46.80	46.53	46.60	46.53		
SGPS (100MW)	GWh	0.00	0.00	0.00	0.00	0.00	0.00		
	SLR/kWh	0.00	0.00	0.00	0.00	0.00	0.00		
DEMB	GWh	0.0	0.0	0.0	0.0	0.0	0.0		
	SLR/kWh	0.0	0.00	0.00	0.00	0.00	0.00		
DMAT	GWh	0.0	0.000	0.000	0.000	0.000	0.000		
	SLR/kWh	0.00	0.000	0.000	0.000	0.000	0.000		
Sobadahanavi	GWh	0.00	3.78	0.93	17.08	81.76	73.99		
	SLR/kWh	0.00	110.69	171.48	95.29	91.83	91.93		
RENEW	GWh	181.062	232.121	240.621	221.420	181.511	193.142		
	SLR/kWh	20.78	20.30	20.12	20.01	19.97	19.99		
Solar Rooftop Generation	GWh	73.478	73.367	77.172	73.773	65.260	67.610		
	SLR/kWh	24.92	24.92	24.92	24.92	24.92	24.92		
TOTAL generated energy		1,443.829	1,447.391	1,376.950	1,406.841	1,341.540	1,377.481		
Energy Cost		28,846,218,065	27,622,412,762	26,145,998,849	38,543,903,444	44,222,544,594	45,420,783,154		
Energy Cost		28,846	27,622	26,146	38,544	44,223	45,421		
		28,846	27,622	26,146	38,544	44,223	45,421		

Energy Cost	SLR	28,845,218.065	27,622,412.762	26,145,998.849	38,543,903.444	44,222,544.594	45,420,783.154
Energy Cost	SLR Million	28,846	27,622	26,146	38,544	44,223	45,421
		28,846	27,622	26,146	38,544	44,223	45,421
Total Energy cost for six-months	LKR Million	210,801.86					
Total energy dispatch for six-months	GWh	8,394.032					
Six-month average energy cost	LKR/kWh	25.11					
loss adjusted six-month average energy cost	LKR/kWh	25.97					

Loss factor %		3.31					
		96.69					
		97.18					

Notes
TOU energy ratio is charged as follows. These ratios were calculated using actual sales to DLs from May 2018 to April 2019 considering a consistent period of 12 months.

TOU Factors	Loss Calculation Prepared by CS as at April 27, 2024		
	Day	Peak	Offpeak
	58.0%	19.7%	22.3%

Capacity Transmission tariff (TR) & Bulk Supply and Operations Business Tariff (BSS)

Item	Unit	Jul-24		Aug-24		Sep-24		Oct-24		Nov-24		Dec-24	
		Mn. SLR	Mn. SLR	Mn. SLR	Mn. SLR	Mn. SLR	Mn. SLR	Mn. SLR	Mn. SLR	Mn. SLR	Mn. SLR	Mn. SLR	Mn. SLR
Transmission system allowed revenue *		1,760	1,760	1,760	1,760	1,760	1,760	1,760	1,760	1,760	1,760	1,760	
BSSOB allowed revenue *		114	114	114	114	114	114	114	114	114	114	114	
BSSOB allowed revenue (Additional financial cost required to cover the potential gap as per clause 2.4.3 in Tariff Regulation)													
Long / Short Term Interest Account	Mn. SLR	660	660	745	820	741	820	781	820	741	820	781	
Overdraft Interest Account	Mn. SLR	213	213	213	209	204	209	204	209	200	195	200	
Debiture Interest Account	Mn. SLR	162	162	162	162	162	162	162	162	162	162	162	
Lease Interest Account	Mn. SLR	2	2	2	2	2	2	2	2	2	2	2	
Delayed Interest on IPP Payments	Mn. SLR	188	188	188	188	188	188	188	188	188	188	188	
Delayed Interest on NCRE Payments	Mn. SLR	750	750	1,000	1,750	-	1,750	-	1,750	-	-	-	
Capital Repayments of IPP & NCRE Payments	Mn. SLR	-	-	417	833	833	833	833	833	833	833	833	
TL Additional OPEX Requirement													
Settlement of SSCL Liability and Penalty	Mn. SLR	167	167	167	167	167	167	167	167	167	167	167	
TL OPEX Requirement*	Mn. SLR	412	412	412	412	412	412	412	412	412	412	412	
BSSOB OPEX requirement*	Mn. SLR	412	412	412	412	412	412	412	412	412	412	412	
TL OPEX Requirement													
TL Additional CAPEX Requirement													
**Collector GSS at Pooneryn and 35 km, 220 kV Zeebra double circuit line	Mn. SLR	6.67	6.67	6.67	6.67	6.67	6.67	6.67	6.67	6.67	6.67	6.67	
***Additional AR requirement for Project Division	Mn. SLR	733.14	733.14	733.14	733.14	733.14	733.14	733.14	733.14	733.14	733.14	733.14	
***Additional AR requirement for Project Division	Mn. SLR	181.33	181.33	181.33	181.33	181.33	181.33	181.33	181.33	181.33	181.33	181.33	
System Coincidental Peak demand	MW	2543	2448	2365	2365	2387	2387	2387	2387	2414	2385	2385	

Month	Unit	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Capacity Transmission tariff (TR)	SLR/MW	692,002	711,154	711,154	711,154	711,154	711,154
Bulk Supply and Operations Business Tariff (BSS)	SLR/MW	2,304,988	1,603,044	2,251,854	1,469,744	1,435,112	1,539,562

Transmission Losses Factor

Month	Unit	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Forecasted transmission losses	GWh	28	29	27	28	26	27
Total forecasted energy supplied	GWh	837	839	799	816	778	799
Forecasted TLF	%	3.40%	3.40%	3.40%	3.40%	3.40%	3.40%

Month	Unit	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Forecasted transmission losses	GWh	12	12	12	12	11	12
Total forecasted energy supplied	GWh	284	285	271	277	264	271
Forecasted TLF	%	4.34%	4.34%	4.34%	4.34%	4.34%	4.34%

Month	Unit	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Forecasted transmission losses	GWh	8	8	7	8	7	7
Total forecasted energy supplied	GWh	322	323	307	314	299	307
Forecasted TLF	%	2.41%	2.41%	2.41%	2.41%	2.41%	2.41%

Capacity Transmission tariff (TR)	SLR	1,759,916,666.67	1,759,916,666.67	1,759,916,666.67	1,759,916,666.67	1,759,916,666.67	1,759,916,666.67
Bulk Supply and Operations Business Tariff (BSS)	SLR	3,317,603,560.80	3,648,515,020.33	4,468,675,887.59	2,675,937,971.70	2,631,628,928.66	2,839,270,483.97
avg tx loss factor	%	3.38%					

Notes

Transmission Loss is taken as 3.31% according to Loss Calculation Prepared by CS as at April 27, 2024

*Additional operational expenses which were not included in TF 2024-2026 is added and detailed breakdown is as follows

Amount (LKR)	
Direct O&M Expenses - TL	a
116,640,000.00	
Total Overhead I for TL	b
28,560,000.00	
Total Overhead II for TL	c
121,037,992.40	
Assets Management	
63,374,305.39	
Projects Division	
24,903,787.01	
Total TL OPEX	(a+b+c)
32,760,000.00	
BSSOB OPEX	
266,237,992.40	
Total	278,957,992.40

Expenses for the settlement of LICENSE's Regulatory Levy for 2014 & 2015 & SSCL Liability and Penalty which were not include in TF 2024-2026 is also added

** Additional expenses with amount 40 MLKR for the Wayleave and Land compensation relavent to the Collector GSS at Poorneryn and 35 km, 220 kV Zeebra double circuit line is added.

This was already included in TF 2024 - 2026 however sufficient allocation was not allowed in PUCSL approved Allowed Revenue (As confirmed by AFM(Tf./AGM(Tf./NWO))

***Additional Allowed Revenue Requirement as confirmed by AGM(Projects)

ENERGY DISPATCH FORECAST - GWh- 2024 Revised														
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Plant Factor
Total Gross Generation	1363.1	1373.3	1532.3	1414.2	1451.5	1440.7	1486.0	1504.9	1427.2	1448.7	1381.9	1419.1	17243	
Auxiliary Consumption	39.0	61.8	69.5	56.6	51.9	51.3	42.4	57.7	50.4	42.1	40.6	41.8		
Total Net Generation	1324.2	1311.6	1462.7	1357.6	1399.7	1389.4	1443.6	1447.2	1376.8	1406.6	1341.3	1377.3	16638	
Total Net Generation/day	44.7	42.5	44.5	45.3	45.2	46.3	46.6	46.7	45.9	45.4	44.7	44.4		
NCRE Generation	270.2	226.6	159.8	168.3	261.9	343.1	300.1	349.9	360.0	313.8	259.2	278.9	3292	
Self Generation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1322.3	1325.2	1280.9	1419.8		
No. of days	31.0	29.0	31.0	30.0	31.0	30.0	31.0	31.0	30.0	31.0	30.0	31.0	366	
Generation (Centrally dispatch)	1053.9	1085.0	1303.0	1189.3	1137.7	1046.3	1143.4	1097.3	1016.7	1092.8	1082.1	1098.3		
Reqd. Generation/day(Centrally)	34.0	37.4	42.0	39.6	36.7	34.9	36.9	35.4	33.9	35.3	36.1	35.4		
IPP Thermal Generation														
Sobadanavi	0.0	0.0	0.0	0.0	10.3	0.0	0.0	3.8	0.9	17.1	81.8	74.0	188	
WCPP	41.9	103.6	160.7	76.4	0.1	33.1	117.0	93.1	84.0	158.1	128.2	157.0	1153	53%
ACE_Matara	1.2	1.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3	1%
ACE Embilipitiya	2.6	16.5	2.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	22	2%
Supplementary Power 100MW	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0%
TOTAL IPP	45.7	122.0	163.5	76.4	10.4	33.1	117.0	96.8	85.0	175.2	210.0	230.9	1366	
CEB Thermal Generation														
LAKVIJAYA1	59.9	184.7	198.6	162.2	138.1	135.3	174.8	174.8	113.3	0.0	0.0	0.0		56.7%
LAKVIJAYA2	188.7	185.0	199.4	137.3	192.8	169.1	174.8	174.8	169.1	174.8	169.1	174.8	5315.6	89.2%
LAKVIJAYA3	72.9	186.4	198.4	187.1	187.8	169.1	0.0	174.8	169.1	174.8	169.1	174.8		78.8%
SAPU B	15.2	31.3	37.7	35.8	29.6	21.0	37.9	37.1	32.3	38.2	36.9	38.2	391.2	62%
SAPU A	11.4	27.6	34.3	30.6	14.3	13.6	25.1	24.6	20.4	30.4	29.4	30.4	292.0	52%
BARGE	25.4	28.5	32.7	37.9	25.1	21.7	34.1	36.2	32.0	34.1	33.0	34.1	374.9	71%
Uthuru Jananee	4.7	8.6	11.2	10.0	7.2	5.4	9.3	10.4	7.9	10.4	11.5	11.8	108.5	54%
KCCP_Naptha	0.3	4.9	103.8	73.7	71.9	0.0	67.0	0.0	19.8	69.5	69.5	69.5	549.9	44%
KCCP_Diesel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	22.2	22.7	22.1	67.0	
GT7	0.0	0.0	0.0	20.2	15.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	35.7	4%
SMALL_GT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0%
KCCPS_2	0.0	0.0	0.0	33.6	41.2	0.0	15.0	0.0	0.0	66.3	93.4	92.5	341.9	24%
Dakanu Jananee	0.0	0.0	0.0	2.8	3.0	0.5	1.6	0.0	0.0	0.3	4.5	4.7	17.4	8%
Matugama-CEB	0.0	0.0	0.0	1.9	1.7	0.4	1.1	0.1	0.0	0.4	3.2	3.2	12.0	9%
Total CEB Thermal Generation	378.6	657.1	816.1	733.2	728.0	536.2	540.8	632.8	563.9	621.3	642.3	655.9	7506.1	
													2190.5	
Prospective Gen. / Energy shortfall														
Total Thermal Generation	424.3	779.1	979.5	809.6	738.5	569.3	657.7	729.6	648.9	796.5	852.3	886.9	8872.1	
Hydro Gen Req'd.	629.7	305.9	323.4	379.7	399.3	477.0	485.8	367.7	367.9	296.4	229.8	211.5	4473.9	
Deficit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Total Net Generation excluding deficit	1324.2	1311.6	1462.7	1357.6	1399.7	1389.4	1443.6	1447.2	1376.8	1406.6	1341.3	1377.3	16637.9	
Inflow	498.9	182.6	120.9	144.1	729.0	474.6	425.0	337.4	398.7	310.2	300.6	274.0	4196.0	
Drawdown from reservoirs	-130.8	-123.2	-202.5	-235.6	329.7	-2.5	-60.7	-30.3	30.8	13.8	70.8	62.5		
STARTING STORAGE	1250	1116	992	788	552	882	880	819	789	819	833	904		
Month End Storage	1116	992	788	552	882	880	819	789	819	833	904	967		
% Storage	0.9	0.8	0.6	0.4	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8		

Complex	Power Plant	Description	Initial Estimated Cost for 2024	Approved by PUCSL for 2024	Revised Disbursement for 2024	Disbursement for 2025
			(LKR)	(LKR)	(LKR)	(LKR)
MC	Victoria	Stator Replacement	1,560,000,000	960,000,000	960,000,000	600,000,000
		Transformer replacement	680,000,000	-	-	680,000,000
		Turbine Overhaul	200,000,000	-	-	200,000,000
	Kotmale	Penstock pressure relief valve, CT Replacement	100,000,000	35,000,000	35,000,000	65,000,000
		Circuit Breaker replacement	130,900,000	85,085,000	85,085,000	45,815,000
		Unit 1 AVR retrofit	126,990,000	126,990,000	126,990,000	
	Ukuwela	Turbine Head Cover replacement and Spares	360,000,000	360,000,000	360,000,000	
	Bowatanna	Procurement of Static Excitation System	112,000,000	11,200,000	11,200,000	100,800,000
		Governor Unit Replacement	90,000,000	90,000,000	90,000,000	
		Rantambe AVR 02 Nos Procurement (80% already paid)	153,000,000	153,000,000	153,000,000	
	Randenigala	Major Overhaul	50,000,000	-	-	50,000,000
		Drinking Water Treatment Plant	40,000,000	40,000,000	-	
		U2 10-year Overhaul (Already Paid)	282,000,000	282,000,000	-	
	Upper Kotmale	Spillway Gates Painting	35,000,000	35,000,000	-	
		Service for 220 kV cable sealing ends	120,000,000	120,000,000	120,000,000	
	Wind Power Station	Protection improvement around turbine footings			20,000,000	
	Other CAPEX works in Mahaweli Complex	Buildings			81,000,000	
		Machinery & Tools			48,000,000	
		Furniture & Fittings			2,700,000	
		Sundry Assets-debris Harvesting Machine			50,000,000	
		IT related equipment			6,860,000	
SC	Samanalawewa	Replacement of 2 Stators	2,270,000,000	681,000,000	681,000,000	1,589,000,000
		Spare parts for Unit 1 Turbine	180,000,000	180,000,000	180,000,000	
		20 nos. of 132 kV CVTs and 24 nos. of 132 kV CTs	75,000,000	75,000,000	75,000,000	
	Other CAPEX works in Samanala Complex	CAPEX works -Hydro Power Station a/c in Samanala Complex	208,000,000	208,000,000	208,000,000	
LC	New Laxapana	Installation of Three (03) Generator Transformers and related works in NLPS	957,000,000	478,500,000	478,500,000	478,500,000
	Wimalasurendra	Penstock Exterior Painting - Unit 1 & Unit 2	200,000,000	100,000,000	100,000,000	100,000,000
	Other CAPEX works in Laxapana Complex	CAPEX works in other power plants in Laxapana Complex	332,010,000	265,608,000	265,608,000	66,402,000
GP	Udawalawa	Installation of 2 Generator Units	1,500,000,000	-	-	375,000,000
	LVPP Coal Yard	Enhancing the Coal handling capacity	6,468,000,000		900,000,000	5,568,000,000
GHQ	DSE & CSM	Construction of 10 Nos. of Family quarters and 02 Nos. of four unit housing compounds for Engineers at Victoria Estate, Daluwa.	329,000,000		193,000,000	65,000,000
		Remedial measures for weathered rock areas of grouting gallery of Samanalawewa dam Phase II	100,000,000		40,000,000	60,000,000
		Construction of a gravity Retaining Wall of Upper Kotmale Reservoir bank at Thalawakele	160,000,000		32,000,000	128,000,000
	AM-TM	Machinery & Tools			25,800,000	
	AM-TE	Machinery & Tools			30,810,000	
	AM-HE	Machinery & Tools			56,700,000	
	AM-HM	Machinery & Tools			20,000,000	
	Protection Branch	Procurement of Spare Relays for Lakvijaya Power Plant			80,000,000	
		Replacement of Rantembe Protection System			10,000,000	
		Replacement of KCCP-GT & Old Laxapana Stage 01 Protection system			75,000,000	
		Remote access & Time synchronization (NLPS & SAMANALA)			10,000,000	
	AGM(G), DGM (CA), DGM (GP), AFM (G), DGM (ES)	Procurement of panel components for rantambe			15,000,000	
		Furniture, Office Equipments & IT related equipments			13,000,000	
	Overhaul	Level A Maintenance of Unit 1	9,775,000,000	7,786,000,000	7,786,000,000	1,989,000,000
		Level C Maintenance of Unit 2 & 3				
	Building Constructions	Workers Apartment Daluwa	900,000,000		-	810,000,000
		Construction of Workshop-LV/T/2015/59	352,000,000	88,000,000	88,000,000	264,000,000
		Construction of Central Sewer Treatment Plant-Daluwa-LV/T/2016/303	176,000,000	176,000,000	176,000,000	
		Other Building constructions	452,000,000		-	113,000,000
		Construction of Storage Yard for Heavy Security Spares of Electrical Section III			70,500,000	
		Construction of Storage Yard for Heavy Security Spares of Electrical Section III- I			26,420,000	
		Construction of Security Gate 2			41,130,000	
		Proposed development project for Power Plant Visitors			41,130,000	
		Extend the existing civil office building at Daluwa housing complex			4,700,000	
		Construction of office building for transport section at Daluwa Housing complex			8,000,000	
		Construction of building for kitchen facility for club house at Daluwa Housing complex			8,700,000	

Complex	Power Plant	Description	Initial Estimated Cost for 2024	Approved by PUCSL for 2024	Revised Disbursement for 2024	Disbursement for 2025
			(LKR)	(LKR)	(LKR)	(LKR)
LVPP		Construction of Hydrogen plant protection wall			35,300,000	
		Refurbishment of the CMEC warehouse building for commercial section			35,250,000	
		Water Treatment Plant installation At Daluwa Housing Complex			15,040,000	
		Construction of a building for custom officers - Extension			29,400,000	
		Construction of strom water drainage system infrom of main gate			23,500,000	
	Other CAPEX works in LVPP	Office Supplies			2,410,000	
		Purchasing of Computers and IT related items			605,000	
		Procurement of a Printer for Commercial Office			1,210,000	
		IT related equipment (Laptop)			841,000	
		Computers & IT Related Equipment (DPM & CE(Com))			1,210,000	
		Desktop Computers for Entry Pass Management System			730,000	
		Software development for Unserviceable Items (Scrap & Other Stores Managements)			15,070,000	
		Purchasing of instrument, spares, resgents, licence renewing			1,210,129	
		Plant Access Improvements			7,230,000	
		e-Learning Platform Development			1,210,000	
		Equipment for Building Services (Additions & Replacements)			6,030,000	
		Equipment for Building Services (Additions & Replacements)			24,100,000	
		Purchase of Chairs			100,000	
		Furniture for I & C lab and workshop			605,000	
		Furniture for SIC Section			2,410,000	
		Procurement of Furniture, Home Appliances and Kitchen Ware Items for Office/ Family/ Bachelor Quarters			24,100,000	
		Procurement of Racking Systems for Boiler, Turbine, Electrical and I&C Stores			36,150,000	
		Purchasing of Furniture for CE quarters at Daluwa Housing Complex (Including supplying & fixing of curtains)			18,080,000	
		Furniture			246,000	
		Tools			1,805,000	
		Plant & Equipment for general maintenance			25,620,000	
		Tools			24,100,000	
		Laser Rust remover equipment for motors			3,620,000	
		Fork Lift for EM - BoP section			6,030,000	
		Weighbridge for Scrap yard			18,080,000	
		Oil Testing Instruments			24,100,000	
		Procurement of Hand Pallets Trucks			2,287,000	
		12T Forklift & Its Accessories for Scrap Yard			10,850,000	
		Water Testing Instruments			24,100,000	
		Miscellaneous laboratory equipments			6,030,000	
		Stores Handling Equipment			9,640,000	
		Purchase of Tool & Equipment for Mechanical Maintenance section under Civil section			6,030,000	
		Tools and Equipment for Fuel Handling System - Local Purchase			15,065,000	
TC	Sapugaskande	Spare parts for E# 01 ; 24,000 rhrs	500,000,000	500,000,000	500,000,000	
	Sapugaskande	Spare parts for E# 02 ; 12,000 rhrs (2023)	400,000,000	400,000,000	393,203,000	
	Sapugaskande	Spare parts for E# 03 ; 24,000 rhrs (2023)	500,000,000	500,000,000	500,000,000	
	Sapugaskande	Spare parts for major overhauls(12,000 Rhr) 04 Nos of Engines B/F(2023)	508,000,000	508,000,000	508,000,000	
	Uthru Jananee	Mechanical Spares for Planned Maintenance for 48000 hrs. maintenance (B/F from year 2023 IND/22/166)	334,740,000	334,740,000	334,740,000	
	Uthru Jananee	Spare Parts for Watsila Diesel Engings (B/F from 2023- IND/21/354)	109,600,000	109,600,000	23,510,000	86,090,000
	Uthru Jananee	Mechanical Spares for Turbochargers for 48000 hrs. maintenance (B/F from year 2023-IND/23/050)	213,200,000	213,200,000	213,200,000	
	Barge Mounted Plant	Foreign Purchase Safety Mechanical Spare Parts for All Four Main Engines	545,000,000	545,000,000	545,000,000	
	1*50 MW Plant	Purchase of 33KV CCV RMU for CSS 1nos and Related spare parts	183,000,000	183,000,000	183,000,000	
	GT 07	Purchasing of a new Compressor Rotor for GT-07	1,100,000,000	-	-	
	GT 07	Purchase of components of Special maintenance of - GT07 (Extended HGPI)(Forwarded from 2023)	1,293,000,000	-	-	
	GT 07	Purchasing of Compressor Diaphragms for GT07 (Forwarded from 2023)	257,000,000	-	-	
	GT 07	Purchasing of Fuel oil Injection Pump	60,000,000	250,000,000	250,000,000	
	GT 07	Procurement of a new fire water pumping system and fire water boosting system for fuel tank yard	25,000,000	-	-	
	GT 07	Generator Major Inspection including starting group disassembly & Reassembly (B/F)	45,000,000	-	-	
	Combined Circle (KCCP)	New Rotor for GT(B/F 2023) and other related CAPEX developments	436,000,000	296,000,000	410,500,000	400,000,000
	KCCP-02	Battery Banks (220VDC 1 set and UPS 1 set)	83,000,000	83,000,000	61,387,000	
	Total		35,066,440,000	16,258,923,000	18,271,767,129	13,833,607,000



Asian Development Bank
Summary Statement

LOAN NO/PROJECT NAME	LN3409-SRI:SESRIIP
DUE DATE	15 May 2024
REFERENCE NO.	20240315 LN3409

CURRENCY PAYABLE	BALANCE CATEGORY	PREVIOUS BALANCE	CURRENT BALANCE	TOTAL AMOUNT DUE
TRANSITIONED LBL TO FLP				
UNITED STATES DOLLAR				
	INTEREST	0.00	1,586,534.35	1,586,534.35
	PRINCIPAL	0.00	1,663,303.07	1,663,303.07
	TOTAL	0.00	3,249,837.42	3,249,837.42



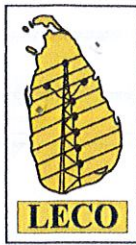
Asian Development Bank
Amortization Schedule

LOAN NO./PROJECT NAME	LN3409-SRI: SESRIP	DUE DATE	15-May-2024
FUND	Ordinary Capital Resources	PRINT DATE	14-Mar-2024
CURRENCY	USD		

Seq	Repayment Date	Original Amortization Share %	Amortization for Disbursements as of 14 Sep 2023	Revised Amortization Share %	Amortization for Disbursements 15 Sep 2023 - 14 Mar 2024	Total	Remarks
1	15-NOV-2021	2.500000	982,883.44		0.00	982,883.44	PAID
2	15-MAY-2022	2.500000	1,044,016.98		0.00	1,044,016.98	PAID
3	15-NOV-2022	2.500000	1,234,370.55		0.00	1,234,370.55	PAID
4	15-MAY-2023	2.500000	1,325,651.07		0.00	1,325,651.07	PAID
5	15-NOV-2023	2.500000	1,442,444.91		0.00	1,442,444.91	PAID
6	15-MAY-2024	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
7	15-NOV-2024	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
8	15-MAY-2025	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
9	15-NOV-2025	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
10	15-MAY-2026	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
11	15-NOV-2026	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
12	15-MAY-2027	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
13	15-NOV-2027	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
14	15-MAY-2028	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
15	15-NOV-2028	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
16	15-MAY-2029	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
17	15-NOV-2029	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
18	15-MAY-2030	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
19	15-NOV-2030	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
20	15-MAY-2031	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
21	15-NOV-2031	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
22	15-MAY-2032	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
23	15-NOV-2032	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
24	15-MAY-2033	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
25	15-NOV-2033	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
26	15-MAY-2034	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
27	15-NOV-2034	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
28	15-MAY-2035	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
29	15-NOV-2035	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
30	15-MAY-2036	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
31	15-NOV-2036	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
32	15-MAY-2037	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
33	15-NOV-2037	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
34	15-MAY-2038	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
35	15-NOV-2038	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
36	15-MAY-2039	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
37	15-NOV-2039	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
38	15-MAY-2040	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
39	15-NOV-2040	2.500000	1,442,444.91	2.500000/87.500000	220,858.16	1,663,303.07	
40	15-MAY-2041	2.500000	1,442,453.07	2.500000/87.500000	220,858.58	1,663,311.65	
TOTAL		100.000000	56,514,946.96		7,730,036.02	64,244,982.98	

Additional OPEX & CAPEX Requirement of CEB DLs Annex V

Description	Unit	DL1	DL2	DL3	DL4
Additional OPEX incurred					
Cost of living allowance as per Management Services Circular 01/2024	MLKR	494.50	505.00	469.80	289.72
Non Sick Leave incentive due for 2021	MLKR	284.13	362.47	246.13	142.77
Regulatory Levy Balance payment for 2014 & 2015	MLKR	12.26	14.14	7.05	6.08
Erroneous deduction in March Revision	MLKR		299.08		
Deduction of OPEX in March Revision	MLKR		488.78	950.00	150.00
Additional CAPEX					
Addition of CAPEX for 2023 from SESRIP	MLKR	2,027.60	1,768.97	2,923.81	1,406.03
Addition of CAPEX for 2024 from SESRIP	MLKR	1,945.63	1,697.45	2,805.60	1,349.19
Additional CAPEX for SCADA project DD4	MLKR	N/A	N/A	N/A	600.00
Additional CAPEX for new service connection & Solar integration due to revision of allowed charges (for 2024)	MLKR		1,081.00	200.00	706.65



LANKA ELECTRICITY COMPANY (PRIVATE) LIMITED

E. H. Cooray Building • 411 Galle Road • Colombo 3 • Sri Lanka

Established in 1983 | Company Registration No. PV 1008

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✉ general@leco.lk

☎ +94 112371671

🌐 www.leco.lk

📍 E.H. Cooray Building,
411 Galle Road, Colombo 03,
Sri Lanka



20th of May 2024

Our Ref: RD/PUCSL/TARIFF

Director General,
Public Utilities Commission of Sri Lanka,
Level 06, BOC Merchant Tower,
28, St. Michael's Road,
Colombo 03.

Dear Sir,

Electricity Tariff Revision – March 2024

Handwritten note:
\$05 (Lis)
24/05/24



This refers to your letter PUC/E/Tariff/01 dated 12th of March 2024 and the Decision of Electricity Tariff document which is effective from 05th March 2024.

We wish to inform you our concerns on Allowed Revenue provision for year 2024 for your consideration as follows.

(i) OPEX Claw Back

It is observed that nearly 25% of OPEX claw back worth of Rs.Mn 2,073.44 had been carried out for year 2024 with respect to the underutilized approved OPEX of Rs.Mn.1,761 for year 2021. According to the financial statement of LECO for year 2022(Annex-01), reinstated actual expenditure for year 2021 should be corrected as Rs.Mn. 5,028.3 (excluding depreciation). We wish to update you that Approved OPEX for year 2021 had not been fully utilized due to various operational constraints which emerged as a result of Covid -19 pandemic. Since Approved OPEX for 2022 was over expensed mainly due to material cost escalation and improved operational activities, over recoveries in year 2021 had to be utilized. Therefore, OPEX claw back carried out with respect to year 2021 is not justifiable and makes severe negative impact on sustainability of the company's business operations in year 2024 onwards. Further, we wish to inform you that the said over recovery appeared as a profit in year 2021 which was taxed at the rate of around 35% causing additional financial loss to the company.

We also noted that OPEX claw back procedure is not facilitated under the approved Tariff Methodology. Hence it is not acceptable to implement such mechanism without agreement of the Distribution Licensee. Further, we are in the opinion that OPEX claw back mechanism may be negatively affected efficiency improvement drive of the utilities if not properly instrumented.

(ii) Salary Revision Cost

Salary revision cost was not allowed under operational expenses under the decision on electricity tariff issued on 05th March 2024. We wish to note that salary revision cost submitted by LECO consists of two parts as follows.

- (a) Salary increment given for employee's performance in previous year
- (b) Annual salary increase

We wish to inform you that salary increment provided after evaluation of employee's performance in previous year cannot be suspended and the respective cost shall be provided under approved operational expenses. Further, LECO has already granted 3.27% annual salary increase at the beginning of the year for all the employees as per the prevailed practices and according to the collective agreement between the LECO and the employees. Accordingly, we expect additional allowed revenue provision of Rs.Mn.114.5 for performance based annual salary increment cost and annual salary increase costs being incurred during year 2024.

(iii) Omission of Retail OPEX Component

It has been noted that Retail OPEX component Rs.Mn. 1,583.6 as per our submission had been omitted in calculating Allowed Revenue of LECO. We wish to inform you that we agreed Rs.Mn.8,514.42 as the corrected Distribution OPEX excluding additional cost submission for the payment for Net Meter generation cost, Pole shifting cost etc. expecting such deducted costs will be reimbursed through other operative mechanism, but not for the total OPEX. Accordingly, we strongly request you to correct this error and recalculate Distribution Variable Revenue Cap for LECO using the agreed Distribution OPEX Rs.Mn. 8,514.42 while amending subsequent year Distribution OPEX on same base.

In consideration of the above facts, you are kindly requested to waive off OPEX clawback, reallocate already utilized salary costs and recalculate Distribution Variable to LECO.

Thanking You,

Yours Faithfully,

LANKA ELECTRICITY COMPANY (PRIVATE) LIMITED


General Manager

Financial Statements

Statement of Profit or Loss

Year ended 31 December 2022

	Note	Group		Company	
		2022 Rs. '000	2021 Reinstated Rs. '000	2022 Rs. '000	2021 Reinstated Rs. '000
Revenue	4	39,715,935	33,644,837	38,586,801	32,200,503
Cost of Sales		(30,720,758)	(25,745,147)	(29,427,280)	(24,403,497)
Gross Profit		8,995,178	7,899,690	9,159,520	7,797,007
Other Operating Income	5	1,210,592	2,315,557	1,214,347	2,319,820
Operating Expenses		(5,459,640)	(2,960,432)	(5,459,528)	(2,956,928)
Administrative Expenses		(3,949,432)	(2,863,061)	(3,923,476)	(2,832,383)
Profit from operations		796,698	4,391,754	990,863	4,327,516
Finance Income	6.1	1,368,163	905,443	1,316,241	897,693
Finance Cost	6.2	(256,018)	(189,502)	(256,018)	(188,474)
Profit Before Taxation	7	1,908,843	5,107,694	2,051,087	5,036,735
Income Tax Expense	8	(56,681)	(1,803,243)	(97,323)	(1,788,408)
Profit for the Year		1,852,162	3,304,451	1,953,764	3,248,328



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இலங்கைப் பொதுப் பயன்பாடுகள் ஆணைக்குழு
PUBLIC UTILITIES COMMISSION OF SRI LANKA

Annex - 4



ඔබේ අංකය }
உமது இல. }
Your No. }

අපේ අංකය }
எமது இல. }
Our No. }

PUC/E/Tariff/01

දිනය }
திகதி }
Date }

June 10, 2024

Dr. N. De Silva
Actg. General Manager
Ceylon Electricity Board

Second Electricity Tariff Revision - 2024

Reference is made to Section 59 of the Sri Lanka Electricity Act No. 20 of 2009 and CEB tariff submission letter (Ref: DGM (CS&RA)/TRF/Trf.2024), dated June 06, 2024, with the above heading.

The Commission is in the process of reviewing the CEB tariff submission sent via your aforementioned letter. The Commission requires attached clarification/information on CEB tariff submission in the given format, for its review. Therefore, you are hereby required to submit attached (Annex 1 and Annex 2) information, in the given formats, on or before June 14, 2024.

Kanchana Siriwardena
Deputy Director General (Industry Services)

Sgd. \Damitha Kumarasinghe
Director General

06.වන මහල, ලංකා බැංකු වෙළඳ කුඹ්න,
28. ගාන් 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.

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Fax : +94 11 2392641

E-mail: info@pucsl.gov.lk

Web : www.pucsl.gov.lk

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தலைவர்
Chairman

+94 11 2392606

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பணிப்பாளர் நாயகம்
Director General

+94 11 2392606

- | Description | | Unit | Actual/Forecast (State whether Actual or Forecast) | | | | | | | | Total | | | | | |
|-----------------------|---------------|------|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|--------|----------|
| | | | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | Jul-24 | Aug-24 | Sep-24 | Oct-24 | Nov-24 | Dec-24 | Energy | Capacity |
| Hydro | Capacity Cost | MLKR | | | | | | | | | | | | | | |
| | Energy Cost | MLKR | | | | | | | | | | | | | | |
| CEB Coal | Capacity Cost | MLKR | | | | | | | | | | | | | | |
| | Energy Cost | MLKR | | | | | | | | | | | | | | |
| CEB Oil | Capacity Cost | MLKR | | | | | | | | | | | | | | |
| | Energy Cost | MLKR | | | | | | | | | | | | | | |
| IPP Oil | Capacity Cost | MLKR | | | | | | | | | | | | | | |
| | Energy Cost | MLKR | | | | | | | | | | | | | | |
| CEB Wind | Capacity Cost | MLKR | | | | | | | | | | | | | | |
| | Energy Cost | MLKR | | | | | | | | | | | | | | |
| Other NCRE & RT Solar | | MLKR | | | | | | | | | | | | | | |
| Total | | MLKR | | | | | | | | | | | | 372,512 | 62,905 | |

7. Distribution Allowed Revenue (as given in the summary expenditure table of page 7) breakdown (breakdown of MLKR 92,361) in the following format;

Cost Item	Unit	DL1	DL2	DL3	DL4	Total
Distribution Wire	MLKR					
Retail Service	MLKR					
Total	MLKR					92,361

8. Finance cost (as given in the summary expenditure table of page 7) breakdown (breakdown of MLKR 27,302) in the following format;

Loan/ Interest bearing other liabilities	Unit	Loan Amount	Outstanding as at Dec 31, 2023	Outstanding as at Apr 30, 2024	Interest (%) AWPLR + xx%	Actual/Forecast interest (State whether Actual or Forecast)				Total
						Jan-24	Feb-24	Nov-24	Dec-24
Loan 1	MLKR									
Loan 2	MLKR									
xxx	MLKR									
xxx	MLKR									
IPP Delay Interest	MLKR									
NCRE Delay Interest	MLKR									
Sub Total	MLKR									
NCRE Loan Capital Payment	MLKR									
SSCL	MLKR									
Total	MLKR									

9. Monthly sales forecast of each DL of CEB (without sales to LECO) as per the attached format for months from May to December 2024 and monthly sales to LECO (state whether any demand forecast was obtained from LECO or not) for months from May to December 2024. (total sales shall add up to 15,043 GWh)

10. Revenue calculation of MLKR 605,611 with a monthly breakdown of revenue.

Distribution Licensee Sales Forecast

Annex - 2

Monthly Energy Data

customer_catgry	tariff_interval	units_KWH
D	LT030	
D	LT060	
D	LT090	
D	LT120	
D	LT180	
D	MT180	
D	CORRECTED	
D	DYTIME	
D	PKTME	
D	OFFPK	
D	CORRECTED	
D	BULK_DYTIME	
D	BULK_PKTME	
D	BULK_OFFPK	
D	CORRECTED	
R	LT030	
R	LT060	
R	LT090	
R	LT120	
R	LT180	
R	MT180	
R	CORRECTED	
R	BLK_DYTIME	
R	BLK_PKTME	
R	BLK_OFFPK	
R	CORRECTED	
I1	LT300	
I1	MT300	
I1	CORRECTED	
I1	AGRI DYTIME	
I1	AGRI PKTME	
I1	AGRI OFFPK	
I1	CORRECTED	
I2	DYTIME	
I2	PKTME	
I2	OFFPK	
I2	CORRECTED	
I3	DYTIME	
I3	PKTME	
I3	OFFPK	
I3	CORRECTED	
H1	LT300	
H1	MT300	
H1	CORRECTED	
H2	DYTIME	
H2	PKTME	
H2	OFFPK	
H2	CORRECTED	
H3	DYTIME	
H3	PKTME	
H3	OFFPK	
H3	CORRECTED	
GP1	LT180	
GP1	MT180	
GP1	CORRECTED	
GP2	DYTIME	
GP2	PKTME	
GP2	OFFPK	
GP2	CORRECTED	
GP3	DYTIME	
GP3	PKTME	
GP3	OFFPK	
GP3	CORRECTED	
GV1	LT180	
GV1	MT180	
GV1	CORRECTED	
GV2	DYTIME	
GV2	PKTME	
GV2	OFFPK	
GV2	CORRECTED	
GV3	DYTIME	
GV3	PKTME	
GV3	OFFPK	
GV3	CORRECTED	
STRTLTG_PBLC	MTZRO	
STRTLTG_PVT	MTZRO	
STRTLTG_PVT	CORRECTED	

Monthly No. of Consumers & Maximum Demand

customer_catgry	tariff_interval	no_of_cus	max_dmnd_KVA
D	ZRO		
D	LT030		
D	LT060		
D	LT090		
D	LT0120		
D	LT180		
D	MT180		
D	TOU_ALL		
D	BULK_ALL		
D	CORRECTED		
R	ZRO		
R	LT030		
R	LT060		
R	LT090		
R	LT120		
R	LT180		
R	MT180		
R	BULK_ALL		
R	CORRECTED		
I1	ZRO		
I1	LT300		
I1	MT300		
I1	AGRI_ALL		
I1	CORRECTED		
I2	ZRO		
I2	BULK_ALL		
I2	CORRECTED		
I3	ZRO		
I3	BULK_ALL		
I3	CORRECTED		
H1	ZRO		
H1	LT300		
H1	MT300		
H1	CORRECTED		
H2	ZRO		
H2	BULK_ALL		
H2	CORRECTED		
H3	ZRO		
H3	BULK_ALL		
H3	CORRECTED		
GP1	ZRO		
GP1	LT180		
GP1	MT180		
GP1	CORRECTED		
GP2	ZRO		
GP2	BULK_ALL		
GP2	CORRECTED		
GP3	ZRO		
GP3	BULK_ALL		
GP3	CORRECTED		
GV1	ZRO		
GV1	LT180		
GV1	MT180		
GV1	CORRECTED		
GV2	ZRO		
GV2	BULK_ALL		
GV2	CORRECTED		
GV3	ZRO		
GV3	BULK_ALL		
GV3	CORRECTED		
STRTLTG_PBLC	ALL		
STRTLTG_PVT	ALL		
STRTLTG_PVT	CORRECTED		
D	UNBILLED		
R	UNBILLED		
I1	UNBILLED		
I2	UNBILLED		
I3	UNBILLED		
GP1	UNBILLED		
GP2	UNBILLED		
GP3	UNBILLED		
H1	UNBILLED		
H2	UNBILLED		
H3	UNBILLED		
GV1	UNBILLED		
GV2	UNBILLED		
GV3	UNBILLED		

*Note: CORRECTED cells shall be left blank

Annex I

		EXISTING TARIFF						PROPOSED TARIFF							
EFFECTIVE FROM (for each 30 - day billing period)		2024-03-05						2024-07-01							
DOMESTIC															
		Energy Charge (Rs./kWh)		Fixed Charge (Rs./mth)				Energy Charge (Rs./kWh)		Fixed Charge (Rs./mth)					
Consumption 0 - 60 kWh per month															
Block 1 : 0 - 30 kWh		8.00		150.00				6.00		150.00					
Block 2 : 31 - 60 kWh		20.00		300.00				9.00		300.00					
Consumption above 60 kWh per month															
Block 1 : 0 – 60 kWh		25.00		N/A				15.00		N/A					
Block 2 : 61 – 90 kWh		30.00		400.00				18.00		400.00					
Block 3 : 91 – 120 kWh		50.00		1,000.00				30.00		1,000.00					
Block 4 : 121 – 180 kWh		50.00		1,500.00				42.00		1,500.00					
Block 5 : 181 kWh and above		75.00		2,000.00				65.00		2,000.00					
Optional Time of Use (ToU) Electricity Tariff for Dom. Consumers															
Day (05:30 – 18:30 hrs)		70.00		2,000.00				56.00		2,000.00					
Peak (18:30 – 22:30 hrs)		90.00						72.00							
Off Peak (22:30 – 05:30 hrs)		30.00						24.00							
RELIGIOUS & CHARITABLE INSTITUTIONS															
Consumption 0 - 180 kWh per month															
Block 1 : 0 – 30 kWh		8.00		150.00				6.00		150.00					
Block 2 : 31 – 90 kWh		9.00		250.00				9.00		250.00					
Block 3 : 91 – 120 kWh		18.00		600.00				18.00		600.00					
Block 4 : 121 – 180 kWh		32.00		1,500.00				30.00		1,500.00					
Block 5 : 181 kWh and above		43.00		2,000.00				42.00		2,000.00					
OTHER CONSUMER CATEGORIES		Industrial		Hotel		General Purpose / Government		Industrial		Hotel		General Purpose / Government			
Volume differentiated monthly consumption		IP 1-1 (≤ 300 kWh/mth)	IP 1-2 (> 300 kWh/mth)	H 1-1 (≤ 180 kWh/mth)	H 1-2 (> 180 kWh/mth)	GP/GV 1-1 (≤ 180 kWh/mth)	GP/GV 1-2 (> 180 kWh/mth)	IP 1-1 (≤ 300 kWh/mth)	IP 1-2 (> 300 kWh/mth)	H 1-1 (≤ 180 kWh/mth)	H 1-2 (> 180 kWh/mth)	GP/GV 1-1 (≤ 180 kWh/mth)	GP/GV 1-2 (> 180 kWh/mth)		
Rate 1 Supply at 400/230 V Contract demand <= 42 kVA	Energy Charge (Rs. /kWh)	13.50	21.50	13.50	21.50	33.00	43.00	13.50	21.50	13.50	21.50	26.40	34.40		
	Fixed Charge (Rs./mth)	300.00	1,000.00	300.00	1,000.00	600.00	1,500.00	300.00	1,000.00	300.00	1,000.00	600.00	1,500.00		
Rate 2 Supply at 400/230 V Contract demand > 42 kVA	Energy Charge (Rs./kW)	Day (05:30 – 18:30 hrs)		30.50		30.50		45.00		30.50		30.50		38.25	
		Peak (18:30 – 22:30 hrs)		37.00		37.00		55.00		37.00		37.00		46.75	
		Off Peak (22:30 – 05:30 hrs)		25.50		25.50		37.00		25.50		25.50		31.45	
	Demand Charge (Rs./kVA)		1,500.00		1,500.00		1,500.00		1,500.00		1,500.00		1,500.00		
	Fixed Charge (Rs./mth)		5,000.00		5,000.00		5,000.00		5,000.00		5,000.00		5,000.00		
Rate 3 Supply at 11 kV & above	Energy Charge (Rs./kW)	Day (05:30 – 18:30 hrs)		30.00		30.00		44.00		30.00		30.00		37.40	
		Peak (18:30 – 22:30 hrs)		36.00		36.00		54.00		36.00		36.00		45.90	
		Off Peak (22:30 – 05:30 hrs)		24.50		24.50		36.00		24.50		24.50		30.60	
	Demand Charge (Rs./kVA)		1,400.00		1,400.00		1,400.00		1,400.00		1,400.00		1,400.00		
	Fixed Charge (Rs./mth)		5,000.00		5,000.00		5,000.00		5,000.00		5,000.00		5,000.00		
STREET LIGHTING															
Street Lighting (Rs./kWh)		45.00						45.00							
EV CHARGING OF CEB CHARGING STATIONS		DC Fast Charging (Rs./kWh)		Level 2 AC Ch. (Rs./kWh)				DC Fast Charging (Rs./kWh)		Level 2 AC Ch. (Rs./kWh)					
Day (05:30 – 18:30 hrs)		109.00		87.00				109.00		87.00					
Peak (18:30 – 22:30 hrs)		139.00		112.00				139.00		112.00					
Off Peak (22:30 – 05:30 hrs)		66.00		50.00				66.00		50.00					
AGRICULTURE - Optional Time of Use (ToU) Electricity Tariff		Energy Charge (Rs./kWh)		Fixed Charge (Rs./mth)				Energy Charge (Rs./kWh)		Fixed Charge (Rs./mth)					
Rate 1 Supply at 400/230V Contract demand <= 42 kVA	Day (05:30 – 18:30 hrs)	33.00		1,000.00				30.50		1,000.00					
	Peak (18:30 – 22:30 hrs)	37.00				37.00									
	Off Peak (22:30 – 05:30 hrs)	28.00				13.50									

Bulk Supply Transaction Account Operational Guideline

Introduction

Bulk Supply Transaction Account (BSTA) is the account to be maintained by the Bulk Supply Operations Business (BSOB) unit of the Transmission Licensee (TL). BSOB is responsible for system operation (System Control Center), buying and selling of electricity (Energy Purchase and Energy Marketing branches), etc. BSTA is the account used to do and record;

1. All the transactions between TL and the Distribution Licensee (DL) for sale of electricity on monthly basis at the Bulk Supply Tariffs approved by the Commission
2. All transactions between Generators and TL for purchase of electricity on monthly basis as per the Power Purchase Agreements (PPAs)
3. Expenditure of TL (except 2 above and interest for working capital) which is supposed to be expensed from the allowed revenue. However, allowed revenue of Transmission and BSOB shall be recorded as a single expenditure per statement (per week).
This expenditure shall be transferred to a separate bank account. Such account shall be used to disburse any expenditure of Transmission and BSOB (except 2 above and interest for working capital)
4. Subsidies received from the Government.
5. Interest received (for cash in hand), interest paid (for Commission approved working capital loans and BSTA account).
6. Capital repayment of Commission approved working capital loans (Commission shall specifically approve the capital repayment).
7. Receipt of working capital loan approved by the Commission.

BSTA is not an account used to and record;

1. Investment activities, such as project expenditure, purchase of fixed assets etc.
2. Financing activities loans received for projects, other CAPEX etc.

Thus, BSTA is expected to show the financial status of the electricity industry on a real time basis, and indicate the subsidy requirements or any surpluses that could be adjusted via tariff revisions.

Guideline

1. CEB (TL) shall draft Power Purchase Agreements (PPAs) and Power Sales Agreements (PSAs), obtain the approval of the Commission and sign the agreements before the first operation day of the BSTA.

2. Payments for Generation and collections from Distribution Licensees shall be calculated according to the PPAs and PSAs approved by the Commission.
3. CEB (TL) shall bring the balance of the BSTA (Bank account) to zero through working capital financing
4. The Commission will declare the first operation day of the BSTA upon been satisfied on the status of PPAs and PSAs.
5. TL shall make sure that only above four transactions (mentioned under 'Introduction' section above) are done through BSTA.
6. CEB (TL) shall submit weekly BSTA statement prepared weekly as per the Annex 1 attached, to the Commission before the start of first working day of next week. The statement shall be signed by the Authorized officer for TL and a qualified financial professional responsible for preparation of BSTA (holding; Additional Finance Manage or a higher position)
7. Upon being satisfied on the conformity of the weekly statement submitted by TL to this guideline and clarity of information provided the Commission will notify (by the end of first working day of the week/within one working day) TL whether the BSTA Accurately demonstrates the surplus/deficit of TL or not. [Secretariat of the Commission will decide and notify the accuracy of statement to TL]
8. If the BSTA is not accurate TL shall correct the statement and submit the revised statement to the Commission within one working day and Commission will act according to the guideline 7 above.
9. If the BSTA is accurate, TL shall communicate all DLs the percentage increase/reduction of Uniform National Tariff before noon of succeeding working day of receipt of Commission's consent (on accuracy of the statement). Following criteria shall be used; surcharge (Increase) of 10% when the adjusted closing balance of BSTA reaches a negative 15 billion LKR over two consecutive weeks and similarly a discount (decrease) of 10% when the adjusted closing balance of BSTA reaches positive 15 billion LKR over two consecutive weeks. This surcharge/discount would be in force until the next scheduled tariff revision or the next trigger incident, whichever comes first.
Note - Above numbers may be revised quarterly by the Commission

10. DLs shall apply the percentage increase/reduction communicated by TL to all the electricity bills issued by them. With effect from the next day of the week until the next scheduled tariff revision or the next trigger incident, whichever comes first.
11. DLs shall report any over/under collection by consumers weekly to TL with a copy to the Commission. Over collection is due to surcharge and under collection is due to discount.
12. TL shall invoice each DL weekly for the reported over collection amount by the DL on the following week. DL shall settle the invoice within one working day

13. In case of under collection, TL shall issue an adjustment (deduction) invoice amounting to the reported weekly under collection by each DL. DL shall make the adjustment from its weekly payment to TL.

Annex 1 – BSTA statement

1. BSTA statement for a respective period (week) shall include two sections;
2. Section 1 of BSTA shall include all the transactions (seven types of transactions mentioned under introduction above) of Bulk Supply Transaction Bank Account for the period in the following formats.

BSTA Section 1 format is given below;

BSTA for the period from DD/MM/YY to DD/MM/YY

BSTA Section 1 – Bank Statement

S/N	Debit/Credit	Third Party (Ex- DL1, IPP1, etc.)	Description of Transaction (Ex- Weekly collection of DL1, Payment to IPP1, etc.)	Amount (LKR Million)
Total for the period				
Starting balance for the period				
Closing balance for the period				

3. Section 2 of BSTA shall include following adjustments;
 - a) Weekly transfer (drawdown) from BSTA for Transmission and BSOB expenditure shall be capped at $7 \times (\text{Transmission and BSOB allowed revenue}) / \text{Number of days per year}$. Any additional amount drawn down from BSTA shall be shown as a positive adjustment in Section 2 of BSTA.

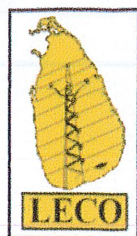
In any event where TL have not drawn down cumulative provision of allowed revenue, up to any day, TL shall obtain approval of the Commission to drawdown the same amount (or part of it) additionally to the allowed provision of that specific week. If approval is granted by the Commission the aforementioned positive adjustment is not applicable.

- b) Government subsidies received shall be added (Positive adjustment)

BSTA Section 2 format is given below;

BSTA Section 2 – Adjustments

S/N	Description of Adjustment	Amount (LKR Million)
Adjustment for over expenditure of Transmission and BSOB		
	Over expenditure (Positive adjustment)	
Government subsidy adjustment		
	Subsidy received (Positive adjustment)	
Total adjustments		
Total for the period after adjustments		
Adjusted starting balance for the period		
Adjusted closing balance for the period		



LANKA ELECTRICITY COMPANY (PRIVATE) LIMITED

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E-Mail: general@leco.lk Web: www.leco.lk

Established in 1983

Company Registration No. PV 1008

Your ref : PUC/E/Tariff/01

Our ref :LECO/ENG/RD/Prepaid

05th April 2024

Director General
Public Utilities Commission of Sri Lanka
Level 06, BOC Merchant Tower
28, St. Michael Road
Colombo-03.

Dear Sir,



Handwritten signature and date 19/04/24

LECO Prepaid Retail Electricity Supply

This refers to your letter dated 27th May 2016 giving approval for the prepaid metering facility.

Though LECO introduced pre-paid metering facilities for customers it was not successful as prevailing retail tariffs are not suitable for such mechanism due to its complexity. We had communicated this concern to you by our letter dated 04th October 2019 requesting new tariffs for prepaid customers. Meantime, the tariff decision dated 14th February 2023 indicates that pre-paid tariff for retail customers should be proposed by the licensees.

Based on above, we herewith propose pre-paid tariffs for key retail customer categories as follows.

1. Domestic

Proposed Tariff: **As you consumed inclined block tariff** for defined one-month period with no monthly correction. New month will be started on predefined date.

Unit Range	Energy Cost Recovery – Rs.	Fixed Charge Recovery –Rs.	Per Unit Charge-Rs.
0-90	20.00	5.00	25.00
Over 90	70.00	5.00	75.00

2. Religious

Proposed Tariff: **As you consumed inclined block tariff** for defined one-month period with no monthly correction. New month will be started on predefined date.

Unit Range	Energy Cost Recovery – Rs.	Fixed Charge Recovery –Rs.	Per Unit Charge-Rs.
0-90	8.00	5.00	13.00
Over 90	38.00	5.00	43.00

3. General Purpose 1

Proposed Tariff: **As you consumed flat tariff** for usage. No monthly corrections. DL will have system set cut off dates for revenue reporting purposes.

Handwritten signature and date 19/04

Unit Range	Energy Cost Recovery -Rs.	Fixed Charge Recovery-Rs.	Per Unit Charge-Rs.
All	40.00	5.00	45.00

4. Industrial & Hotel 1

Proposed Tariff:

As you consumed flat tariff for usage. No monthly corrections. DL will have system set cut off dates for revenue reporting purposes.

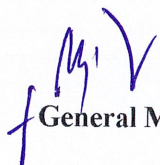
Unit Range	Energy Cost Recovery - Rs.	Fixed Charge Recovery - Rs.	Per Unit Charge-Rs.
All	18.00	5.00	23.00

As LECO is planning to launch an extensive promotion on pre-paid metering, it is very much appreciated that if you could review and issue a suitable pre-paid tariffs for retail customers as early as possible.

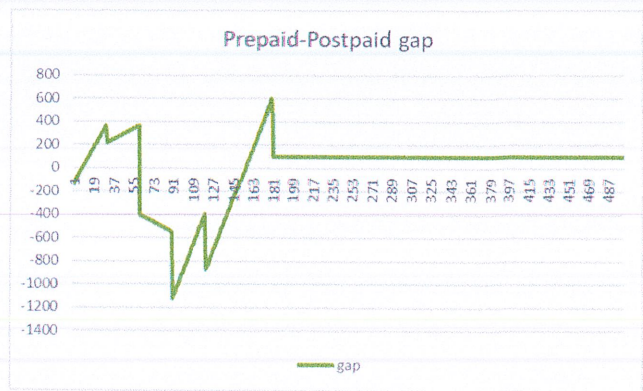
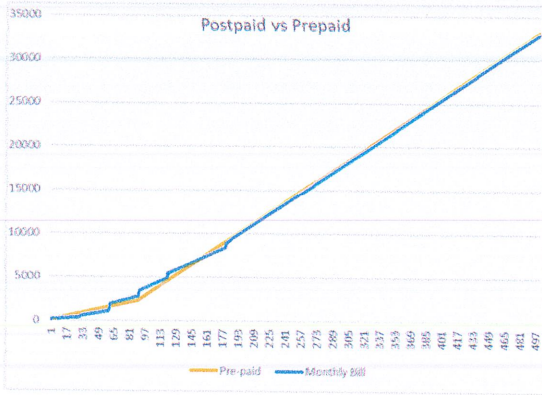
Thanking you.

Yours faithfully,

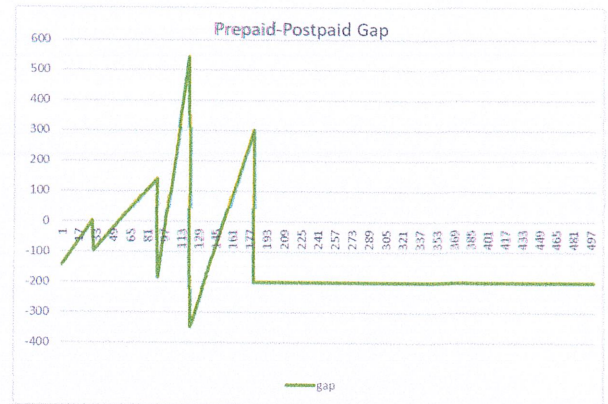
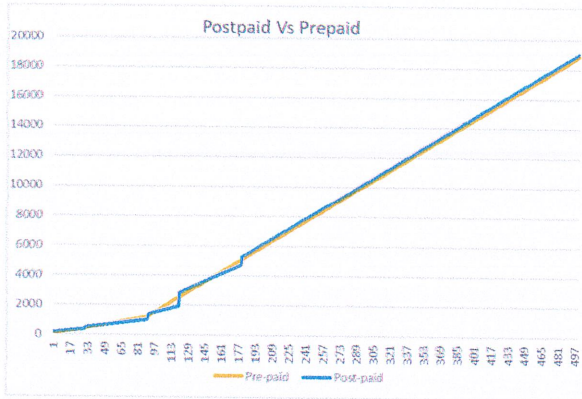
Lanka Electricity Company (Private) Limited


General Manager

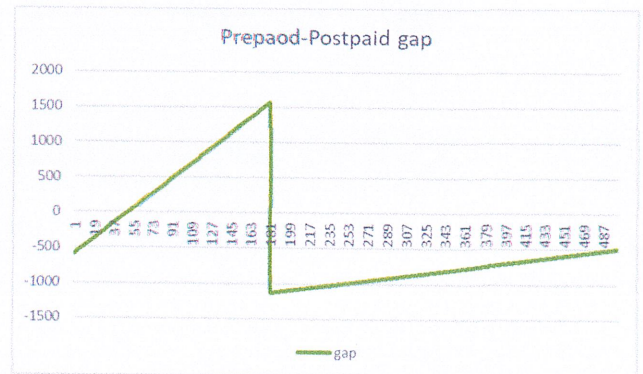
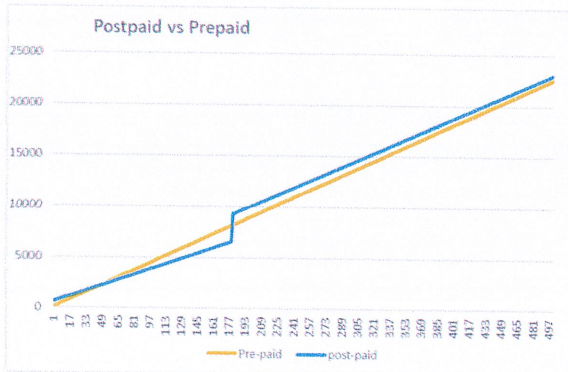
Domestic



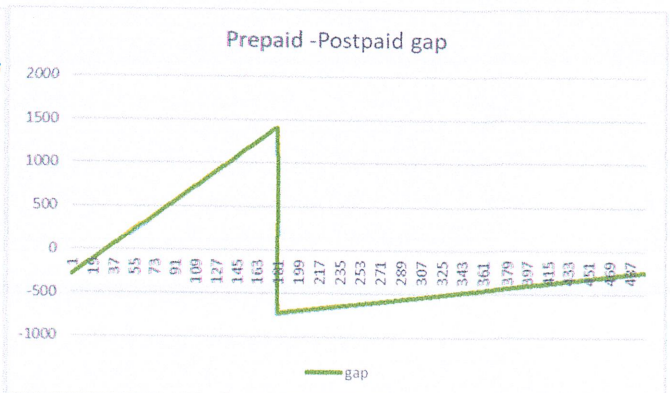
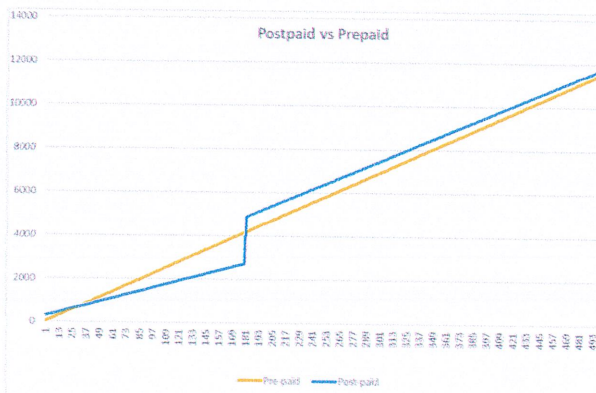
Religious



General Purpose



Industrial



Tariff calculation algorithm for optional prepaid scheme

The Commission propose to use following optimization algorithm that provides the prepaid rates to achieve the minimum cumulative bill difference between bills calculated with the applicable Commission approved postpaid rates and prepaid rates, for each consumer block under consideration.

$$E = \sum_{X=Start}^{X=End} B_{post}(X) - \sum_{X=Start}^{X=End} B_{pre}(X, R_{pre})$$

Where;

X – Monthly electricity consumption units in kWh

R_{pre} – Prepaid rate for bill calculation

$B_{post}(X)$ – Postpaid bill at approved rates for consumption of X No. of units

$B_{pre}(X, R_{pre})$ – Prepaid bill at rate R_{pre} for consumption of X units

E – Cumulative difference in prepaid and postpaid bills

Optimization algorithm calculates, prepaid rate (R_{pre}) at the minimum cumulative bill difference value (E).