

ANNEX 1

Distribution and Supply License No: EL/D/16-004, Lanka Electricity Company (Private) Limited
(LECO)

ALLOWED SERVICE CHARGES AND CONSTRUCTION RATES FOR 2026

Preamble

- a) Allowed charges published herewith, provides the maximum fee that the Licensee (LECO) can charge from a customer for specific services
- b) The allowed charges have been determined following scrutiny of the filing done by the Licensee to the Commission as per the approved methodology for determination of charges.
- c) The charges published herewith cover only commonly required services provided by the Licensee. For determination of other charges requiring case by case estimates, rates provided in LECO Standard Costs Manual 2026 (the manual) shall be applied specifying relevant provision(s) of the manual. However, these case-by-case estimates may be subject to revision by the Commission if disputed by the consumer. While the rates in the Manual of LECO are hereby approved, this approval does not extend to LECO's internal guidelines, procedures, or other provisions included in the document.
- d) If the licensee uses assets which have already been installed to provide other service connections, costs of those assets shall not be included in the final charge for the new service connection, unless a mechanism for the "Reimbursement of Charges Recovered from a Customer" (According to the section 7.3 of the approved Methodology for Charges) has been implemented by the licensee.

Abbreviations

A	Ampere
kV	Kilo volt
kVA	Kilo volt ampere
LV	Low Voltage
MV	Medium Voltage

AAC	All Aluminum Conductor
B/C	Bundled Conductor
RC Pole	Reinforced Concrete Pole
PS Poles	Pre-stressed Concrete Pole

1 Allowed charges for service connections

Charge Structure

- a) For Retail service connections up to 50 m ground distance from the boundary of the land to the meter point, a common charge is applicable.
- b) For Retail service connections beyond 50 m ground distance from the boundary of the land to meter point, (i) fixed cost equal to common charge and (ii) variable charges on additional ground distance are applicable.
- c) For Bulk service connections from 11 kV overhead bare networks up to 50 m ground distance from the existing network a common charge is applicable.
- d) For Bulk service connections from 11 kV overhead bare networks beyond 50 m ground distance from the existing network (i) a fixed charge and (ii) variable charges is applicable.

Notes:

- 1) "Ground distance" is the horizontal distance from the boundary of the land/Licensee network to the meter point as applicable and determined by the Licensee.

1.1 Retail overhead service connections (< 42 kVA) up to 50m ground distance from the boundary of the land

Index	Type of Service Connection	Common Charge (Rs)
1.1.1	30 A, Single Phase	39,800.00
1.1.2	30 A, Three Phase	78,500.00
1.1.3	63 A, Three Phase	100,000.00

Table 1

Notes:

- 1) The common charges shown in Table 1 shall be used as a flat rate for all standard type retail service connections up to 50m ground distance from the boundary of the land to meter point, irrespective of the number of service poles or other standard materials required.
- 2) Any additional materials / works other than those of standard service connections shall be charged separately.

1.2 Retail overhead service connections (< 42 kVA) beyond 50 m ground distance from the boundary of the land

Index	Type of Service Connection	Fixed Charge Equal to Common Charge (Rs)	Variable Charge per Additional Ground Distance (Rs/m) Beyond 50m
1.2.1	30 A, Single Phase	39,800.00	1,200.00
1.2.2	30 A, Three Phase	78,500.00	1,300.00
1.2.3	63 A, Three Phase	100,000.00	1,900.00

Table 2

Notes:

- 1) The charge structure as shown in Table 2 is applicable for ground distances beyond 50m.
- 2) The variable charge is applied on the **additional ground distance beyond 50m**.
- 3) Any additional materials / works other than those of standard retail supply service connections shall be charged separately.

1.3 Temporary Service Connections (Retail Supply)

The applicable charge structure shall be as follows;

- a) The permanent service connection charges provided in section 1.1 and section 1.2.
- b) The allowed additional labor charges which would be charged for removing the supply;
 - I. For single phase temporary connections: Rs. 5,850.00
 - II. For three phase temporary connections: Rs. 6,350.00
 - III. For **each** service pole (per 7.6m RC pole) used in the connection: Rs 6,500.00
- c) A 2% of recoverable material cost of a particular connection is charged as a hire charge per month (subject to Minimum Charge for 2 weeks and maximum charge up to 50 months) which is calculated at the time of disconnection.
- d) The cost of recoverable materials minus the hire charges (as mentioned in (c)) for recoverable materials shall be refunded to the customers upon disconnection.
- e) For temporary connections up to 50 m the cost of Recoverable Materials is indicated in Table 3

Index	Connection Type	Recoverable Material Cost (Rs)
1.3.1	30 A, Single Phase	22,070.00
1.3.2	30 A, Three Phase	55,780.00
1.3.3	60 A, Three Phase	75,860.00

Table 3

f) For temporary connections beyond 50 m the cost of Recoverable Materials in (e) plus the cost of recoverable materials on the Additional Ground Distance mentioned in Table 4 shall be considered for computation. Here “Additional Ground Distance” is the ground distance beyond 50m.

Index	Connection Type	Recoverable Material Cost per Additional Ground Distance (Rs/m)
1.3.4	30 A, Single Phase	950.00
1.3.5	30 A, Three Phase	1,100.00
1.3.6	60 A, Three Phase	1,660.00

Table 4

1.4 Retail service connections (< 42 kVA) from the existing (low voltage) underground distribution network

Index	Type of Service Connection	Fixed Charge (Rs)
1.4.1	30 A, Single Phase	37,700.00
1.4.2	30 A, Three Phase	74,400.00
1.4.3	63 A, Three Phase	78,200.00

Table 5

Notes:

- 1) The charge structure as shown in Table 5 is the fixed cost associated with new service connection. (Excluding cable cost, cable laying and any other overhead charges)
- 2) The variable charge is applied on case by case for trenching and cable laying work.
- 3) Any additional materials / works other than those of standard service connections shall be charged separately.

1.5 **Bulk service connections from 11kV overhead bare networks up to 50 m ground distance from the existing network**

Index	Type of Service Connection	Substation Cost	Other costs: HV overhead line, pole and termination cost	Common Charge (Rs)
1.5.1	100 kVA	593,600.00	889,200.00	1,482,800.00
1.5.2	160 kVA	2,683,900.00	889,200.00	3,573,100.00
1.5.3	250 kVA	3,119,200.00	889,200.00	4,008,400.00
1.5.4	400 kVA	4,268,000.00	1,123,800.00	5,391,800.00
1.5.5	630 kVA	5,625,300.00	1,123,800.00	6,749,100.00
1.5.6	1000 kVA - Plinth	7,645,800.00	889,200.00	8,535,000.00

Table 6

Notes:

- 1) The charges shown in Table shall be applied for 11 kV overhead bare type networks.
- 2) The applicable common charge includes the substation cost and other costs as indicated above.
- 3) Other costs include costs associated with 11 kV line extensions, poles / accessories and terminations.
- 4) Any additional materials / works other than those of standard bulk supply service connections shall be charged separately.
- 5) LV cables and its accessories (LV terminations, lugs etc) up to the substation shall be customer's responsibility.
- 6) Plinth for 1000 kVA substation shall be constructed by the customer as per Licensee's specifications.
- 7) Charges for other types of service connections not covered above shall be estimated case by case basis.
- 8) Up to 100 kVA transformer cost is borne by LECO.

1.6 **Bulk service connections from 11kV overhead bare networks beyond 50 m distance (ground) from the existing network and other types of connections which are not covered under section 1.5**

Charges shall be estimated case by case basis as follows;

- a) Substation cost provided in Table of section 1.5 above shall be charged as a fixed charge.
- b) The other charges applicable for HV line, poles/ accessories and terminations shall be determined based on case-by-case estimates.

1.7 **Augmentation of an existing electricity supply**

The applicable charges shall be determined based on case-by-case estimates. The estimate includes;

- a) Charge for providing the higher capacity requested
- b) Cost of dismantling/transport of existing equipment, less;
- c) Value of existing equipment at existing standard rates

2 Allowed Charges for Lines and Distribution Substations

The following charges shall be applied for standard overhead lines and substations constructions;

2.1 Allowed Charges for Low Voltage (230/400 V) and 11 kV Overhead Lines

Index	Type of Line	Charge Rs/km	
		On RC Poles	On PS Poles
2.1.1	LV, Three phase, 50 B/C	4,764,300.00	5,161,900.00
2.1.2	LV, Three phase, 70 B/C	5,516,400.00	5,914,000.00
2.1.3	11 kV, 60 AAC, Bare	-	8,352,800.00
2.1.4	11 kV, 70 B/C	-	16,017,800.00

Table 7

Notes:

- 1) Minimum charge of cost equivalent to 35m line length is applicable.
- 2) Applicable charges for any construction other than the standard line shall be determined separately based on case by case estimates. (Ex. Shifting of poles, erecting of additional poles)

2.2 Allowed Charges for Substations

Index	Type of Line	Charge Rs.	
		Distribution Substation	Bulk Consumer Substation
2.2.1	100 kVA, Single Pole Mounted	2,605,900.00	593,00.00
2.2.2	160 kVA, Single Pole Mounted	3,025,500.00	2,683,900.00
2.2.3	250 kVA, Single Pole Mounted	3,570,200.00	3,119,200.00
2.2.4	400 kVA, Double Pole Mounted	4,724,400.00	4,268,000.00
2.2.5	630 kVA, Double Pole Mounted	5,945,600.00	5,625,300.00
2.2.6	1000 kVA, Plinth Mounted	-	7,645,800.00
2.2.7	1000 kVA, Indoor	-	7,145,300.00

Table 8

3 Allowed Charges for Solar Rooftop Connections

Index	Description	Charge (Rs.)
3.1.1	Initial Review Fee	-
3.1.2	Single Phase Connection Common Charge	2,200.00
3.1.3	Three Phase Connection Common Charge	2,400.00
3.1.4	Bulk Service Connection Common Charge	12,100.00

Table 9

Notes:

- 1) These charges are applied for existing service connection.
- 2) Material costs will be charged on case by case basis. If the existing meter is usable for the Net Metering/Net Accounting/Net Plus, etc. connections, the meter cost shall not be included under the material costs.

- 3) If an existing service connection is not available for a particular 'Net Plus Extra' connection request, the related material charges shall be on the same basis as for a new service connection with a similar capacity.
- 4) A capacity-based (per kWp) charge is only applicable for situations where the network constraints wouldn't allow connection unless a network augmentation is carried out. Properly documented proofs should be provided (on request) in these instances to prove the network constraints.
- 5) The solar rooftop connection applicant also has the option of fully paying for the required overall network augmentation, if it is perceived that the approved capacity-based charge alone would delay the connection of the subjected generation facility due to Licensees cashflow constraints. In such scenarios, the Licensee is required to enter into an agreement with the consumer to reimburse the capacity-based charges collected from new generation facility connections made possible due to the augmentation. This reimbursement is limited to the additional payment made by the consumer, above the actual capacity-based charge applicable for his/her connection capacity.
- 6) In cases where the existing Net Metering/Net Accounting/Net Plus, etc. agreement expires and re-connection is done under a new agreement, this is considered as a new connection of Net Metering/Net Accounting/Net Plus, etc. scheme and may be charged with the above charges. For these cases, if the existing meter is usable, meter cost shall be excluded.

4 Professional charges for issuing investigation report on damage claims

Index	Type of Customer	Fee (Rs.)
4.1	Bulk Tariff Customer	31,500.00
4.2	Retail Tariff Customer – 3 Phase	16,000.00
4.3	Retail Tariff Customer – 1 Phase	8,100.00

Table 10

Notes:

As per the provisions stated in regulation 36 (b) of the Electricity (Distribution) Performance Standards Regulations;

- 1) The affected customer shall pay a deposit to the Distribution Licensee in accordance with the allowed charges, to obtain the services of an independent professional.
- 2) if the investigation reveals that the damage to appliances, equipment or property is caused by abnormal voltages or phase reversals of the Distribution Licensee's electricity supply, the deposit shall be refunded; and,
- 3) Where the investigation indicates otherwise, the deposit shall be used for the payment of professional fees

5 Allowed Charges for Miscellaneous Services

<u>Index</u>	<u>Type of Service</u>	<u>Rate (Rs. Or %)</u>
5.1.1	Charge for service connection estimation re visit ⁽¹⁾	4,100.00
5.1.2	Disconnection at the customer's request ⁽²⁾	No Charge
5.1.3	Reconnection after a disconnection at the customer's request	500.00
5.1.4	Reconnection after a statutory disconnection ⁽³⁾	500.00
5.1.5	Testing of retail (ordinary/net) energy meter	4,000.00
5.1.6	Testing of bulk energy/demand meter	8,000.00
5.1.7	Changing an account name and/or the tariff category ⁽²⁾	No Charge
5.1.8	Changing an energy or energy/demand meter ⁽²⁾ (decision by LECO)	No Charge
5.1.9	Clearing of way leaves for supplying a new connection/augmentation on consumer's request.	Compensation determined by the Divisional Secretary shall be charged, if applicable for any construction on customer's request.
5.1.10	Issuing a Duplicate Bill	20.00
5.1.11	Charge for outstanding balance	In the event a customer fails to settle the bill within fourteen (14) days of issuing the Electricity Bill, interest will be charged on the outstanding amount for the period starting from the fifteenth (15th) day from the date of issuing the bill until the early of the date of disconnection or the date of settlement. The annual rate applicable is 11.37% ⁽⁴⁾ and the daily compounding rate shall be calculated using, $(1.1137^{(1/365)} - 1)$. Charge should be calculated using daily compounding rate for the applicable number of days.
5.1.12	Administration cost applicable for dishonored cheques	<ul style="list-style-type: none"> • Bank charges Rs.100.00 + • Postage Rs.50.00 + • Surcharge 2% for cheque value
5.1.13	BESS Connections ⁽⁶⁾	<ul style="list-style-type: none"> • Metering and monitoring platform integration cost - Rs.5000.00 • Monthly communication cost- Rs.207.00

Table 11

Note:

- 1) When the Licensee is required to visit a work site more than normally required due to lapses of the party who had requested the service to be carried out.
- 2) Account balance should be fully settled to apply for this service.

- 3) Statutory disconnection means disconnection of supply under the provisions of Sri Lanka Electricity Act (No 20 of 2009)
- 4) Average Weighted Lending Rate published by Central Bank as at 31st October 2025.
- 5) All customers shall receive a minimum of 30 days to pay for the estimates issued, irrespective of the issuing date of the estimate and subsequent revisions to the rates.
- 6) Additional meter cost and labour charges shall be applied.

These charges are effective for the period starting from January 1, 2026, until the next revision.

Either at the time of submitting an application for a service or within the period of validity of an estimate issued by a Licensee for a service, if a customer makes a request in writing, the Licensee shall, within seven (7) days of such request, provide such customer with a detailed break-up of the estimate prepared.