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Norochcholai, Upper Kotmale power projects on

CEB Engineers while welcoming Government's decision to proceed with the Norochcholai Coal and Upper Kotmale Power projects, say that "various interested parties, mostly citing religious and political reasons coated with invalid technical reasoning, often applying pressure on the Governments in the face of national and provincial elections," cause delay in the implementation of the two projects.

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A media release issued by the CEB Engineers' Union said that CEBEU will strongly stand by the two projects and is willing to go any length to ensure their speedy implementation. "We severely warn the disruptive elements not to hinder the implementation of these projects, which are in the best interest of the people of this country," the release said.

The release points out that CEB has been driven into bankruptcy owing to purchasing electricity from private sources for prices ranging from Rs. 8 to 12 per unit. "One wonders whether the planned

projects are delayed intentionally to promote private electricity purchase," the release said.

Full text of the release: "Norochcholai Coal and Upper Kotmale Hydro Power Projects

Ceylon Electricity Board Engineers Union (CEBEU) wishes to clarify its stand on the two vital power generation projects, Norochcholai and Upper Kotmale. After years of delay, the government has now taken a firm decision to proceed with the construction of Norochcholai coal power plant. The government has also reconfirmed its decision to proceed with the Upper Kotmale Hydroelectric Project. CEBEU welcomes these decisions of the Government taken for the well being of the country, even at this late hour. Both projects are years behind schedule.

These two power projects will produce electricity at costs less than Rs. 2.50 per unit and will help the survival of the electricity industry in Sri Lanka enabling economic growth and extension of this essential service to nearly forty per cent of the population who are still waiting to be served. The projects were intentionally delayed by various interested parties,

mostly citing religious and political reasons coated with invalid technical reasoning, often applying pressure on the Governments in the face of national and provincial elections. Consequently, to meet the demand and to avoid power cuts, CEB was compelled by successive Governments to purchase electricity from private parties for prices ranging from Rs. 8 to 12 per unit. CEB has been driven in to bankruptcy due to such exorbitant costs. One wonders whether the planned projects are delayed intentionally to promote private electricity purchase. Politicians, priests and lobbyists are actively involved in it. Today, CEB runs an overdraft in excess of Rs. 25,000 million and has been forced to default on long term loan repayments due to the treasury. Presently, CEB is losing Rs. 2.70 on each unit of electricity sold to consumers, thus going down a bottomless pit. In the end, the industries, businesses and other consumers will be the victims.

Obviously, this situation cannot be allowed to continue. CEBEU has taken a decision to firmly stand by these two projects and extend its unstinted support for their implementation. We reiterate that our members would do their utmost to ensure the speedy construction of these two power plants to produce electricity from year 2009 at much lower costs. We assure the general public and the people of Norochcholai and Talawakelle that the social

and environmental conditions stipulated by the Central and provincial Environmental Authorities would be strictly adhered to be our members in the construction and operation of the two power plants. Both the power plants have received full environmental clearance under the Environment Act after the due process.

Since of late we have noticed the emergence of yet another malicious campaign against these two projects and we intend to take up the issues raised at the appropriate time. We intend to educate the public of the true situation and the many safeguards in cooperated in these project designs to mitigate any such environmental impacts. We especially intend to address the matters raised by the Bishop of Chilaw in his recent press release. We appeal to all those who are concerned, to study the measures proposed by CEB and approved under the Environment Act for the mitigation of any environmental impacts in a positive manner and to render support to the government in its renewed and decisive efforts to produce power in a more reliable and an economical manner.

CEBEU will strongly stand by the two projects and is willing to go to any length to ensure their speedy implementation. We severely warn the disruptive elements not to hinder the implementation of these projects, which are in the best interest of the people of this country".