FEATURES

Blowing hot and cold over coal

As the government keeps mum on the controversial Norachcholai plant, a power crisis looms large

By Tharuka Dissanaike

With no official confirmation yet on the side of the government - on their pledge to halt the coal power plant at Puttalam, the future looks bleak for the country's power scenario.

The indecisiveness of the government on the coal plant, has affected the lending agency as well. The Japanese OECF (Overseas Economic Co-operation Fund) who had pledged funding for the 600 million dollar project at low interest was taken aback by press reports of the President's pledge to scrap the plant.

Meanwhile CEB's planners warn of impending power shortages if the coal power plant does not come on line in 2004, as planned.

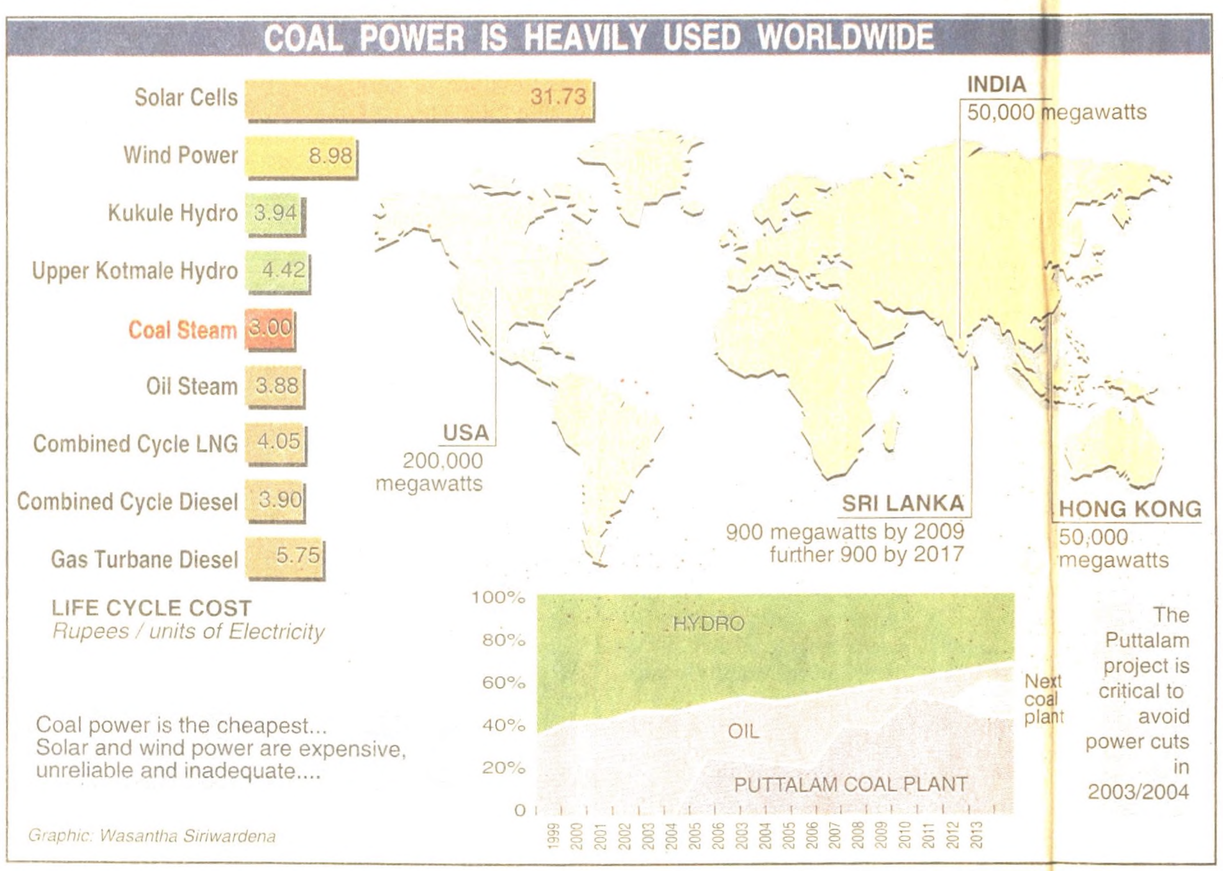
But, since they have not been informed, in any way to stop work on the coal power plant, the CEB continues with its studies and detailed plans, leading up to the construction phase late next year.

Why this mess?

Political meddling in the power scenario is nothing new to our country. In 1996 we experienced power cuts just because of ill-advised political decisions on power supply.

It appears that successive governments have simply failed to see beyond their own noses, at where the country is heading, 10, 20 or 50 years from now.

Regarding this latest controversy over the Puttalam Norachcholai power plant, there have been two conflicting signals from the government.



Graphs courtesy Dr. Tilak Siyambalapitiya

One, the stand of Deputy Defence Minister and Minister for Power and Energy, Anuruddha Ratwatte who said at the very outset, even before environmental clearance, that the project would go ahead no matter what, even through use of armed forces on the site.

The next being the more recent comment attributed to the President, which came after a delayed and costly environmental clearance involving at least 20 different agencies.

For the Ceylon Electricity Board, they have little to fall back on.

Their most important future generation projects are held hostage to environmental concerns and state indecision.

The Upper Kotmale project, probably the country's last major hydro scheme is languishing in courts and the coal power plant is—— well, no one seems to be sure where it stands.

The Press Officer of the Presidential Secretariat, when contacted by The Sunday Times denied any knowledge of an official statement on the suspension of the coal power plant.

But the Bishop of Chilaw, Rt. Rev.Frank Marcus, the most senior Catholic Bishop in the country states that President Kumaratunga assured him at a special meeting that the project would be stopped.

The Bishop leads the protest against the power plant with NGOs and villagers, citing possible damage to the historic shrine of Thalawila, as well as environmental pollution by ash, sulphur dioxide and possible threat to fisheries in the area.

But three detailed Environmental Impact Assessment reports were completed by the CEB addressing many of the topical issues that came up.

These were appraised by four agencies, the Coast Conservation Department, the Ministry for Power and Energy, the North Western Provincial Council and the Central Environmental Authority.

The committees brought together a number of professionals and academics to look at possible environmental threats.

Almost a year into the evaluation of the reports, clearance was granted, under certain conditions that require consistent monitoring.

"Talking of sulphur pollution, if we reject the coal plant and have to resort to diesel and oil-based plants to meet demand, definitely the sulphur pollution would be much higher than of coal. Already on our roads, diesel vehicles emit 10,000 tonnes of sulphur a year.

"The coal plant would only emit half of that through very tall (150 metre) stacks," Dr.Tilak Siyambalapitiya, ex-CEB chief engineer said.

The CEB's future power generation plan hinges largely on coal.

The coal power plant, if it comes in 2004, will be a decade late and the first 300 MW just a start.

In 30 years time the country's power supply would be mostly coal fired with some hydro and a few diesel plants.

With the blessings of politicians, the power planners have drawn up a future of coal power, where in the next ten years 900 MW of coal is planned for the system. It is the cheapest source of fuel, the CEB maintains.

"From a purely economic point of view, coal is the cheapest and most reliable fuel source for a developing country," said Dr. Siyambalapitiya. "Even developed countries still build more coal stations. Other sources of fuel or technology would increase the unit cost of electricity and stifle industry and growth."

He said power planners have to take the least-cost option so that sky-high energy bills do not sabotage the country's economic growth.

Already Sri Lankans are paying dearly for the electricity they consume, especially industries and commercial establishments.

At Rs. 4.75 an average unit of retail electricity, we are paying as much as many of the highly developed nations, and more so in some cases, for our electricity- which at best is not reliable.

"If the coal and hydro projects come as scheduled, reducing the need for diesel or oil-based thermals, we would be paying Rs. 3.50 or less for a unit today," Dr. Siyambalapitiya said.

The CEB's projection of electricity demand is nothing fantastic either.

They predict a per capita growth in demand from today's 300 units to 2000 units in 2040. Malaysia's present per capita consumption is 2000 units.

The government is also keen that rural electrification schemes cover 80 percent of households in the next five years. Today only 50 percent of households have grid electricity.

Further delay on future projects would naturally mean that consumers would be stuck footing the bill while the country will suffer economic setbacks due to political dallying with the power sector.