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Coal-fired power plants: Heed expert advice

Dr. Tilak Siyambalapitiya in his article, *Norochcholai delay and your electricity bill in 2004*, in *The Island* on Thursday attributes the ever increasing electricity prices to the failure of the government to have implemented two major coal-fired power projects – the Mawella and the Norochcholai plants. Had these projects, which have been shelved by the government due to protests from some quarters been constructed in time, the people would not have been burdened with spiraling prices of electricity, he says.

A person who consumes 150 units of electricity today, he points out, has to pay as much as Rs. 772. But if the Mawella plant had been in operation, he would have had to pay only Rs. 538 – the balance Rs. 234 being the price he pays for the government's blunder. But for the rampant corruption in the CEB, it could be argued, prices would come down further.

The suspension of the Mawella project, Dr. Siyambalapitiya argues, has also deprived the south of an investment of US$ 500 million. (Why the cash strapped Southern Development Authority has let go of this opportunity is anyone's guess.)

The heavy dependence of the CEB on other fuels for power generation owing to the Mawella not being operative, he says, has resulted in the country having to cough up an extra Rs. 9000 million for power generation. The production costs of electricity at present range from Rs. 3.50 to Rs. 10.50 whereas if the national grid was augmented with electricity from the Mawella project as pointed out by Dr. Siyambalapitiya, the fuel cost per unit would be Rs. 1.60.

The question posed to the Treasury bigwigs is why they are so silent on this additional sum of US$ 100 million spent on oil-guzzling power plants. Coming as it does from an expert on power generation formerly attached to the CEB, this is a very pertinent question that cries for an answer from these worthies.

Dr. Siyambalapitiya also draws our attention to the fallout of the suspension of the Norochcholai project. Various reasons have been given by the critics of the project, prominent among them the Bishop of Chilaw for its suspension. But the loss incurred as a result he says, will be US$ 200 million in 2006.

The Norochcholai plant was to come into operation by 2004. Unless immediate action is taken to at least instal some cheap oil plants, all 2264 units that were to be produced by the Norochcholai plant will have to be produced by mobile power plants burning auto diesel, Dr. Siyambalapitya warns. This, he says, will cost Rs. 20,150 million, and the public will have to foot the bill.

Dr. Siyambalapitiya's contention is that it is the non-implementation of these two projects rather than the corruption and mismanagement of the CEB that has led to the present crisis. He advocates immediate implementation of these projects and wonders why the government should drag its feet with a crisis staring it in the face.

It is high time serious thought was given to the development of the power sector. The country's heavy dependence on diesel for power generation has proved too expensive and is an unwanted burden on the people. New avenues must be explored to produce cheap electricity like in other countries. Hence the pressing need for the government to heed the advice of experts like Dr. Siyambalapitiya and act immediately.