

Energy security - a priority need - Minister of Power

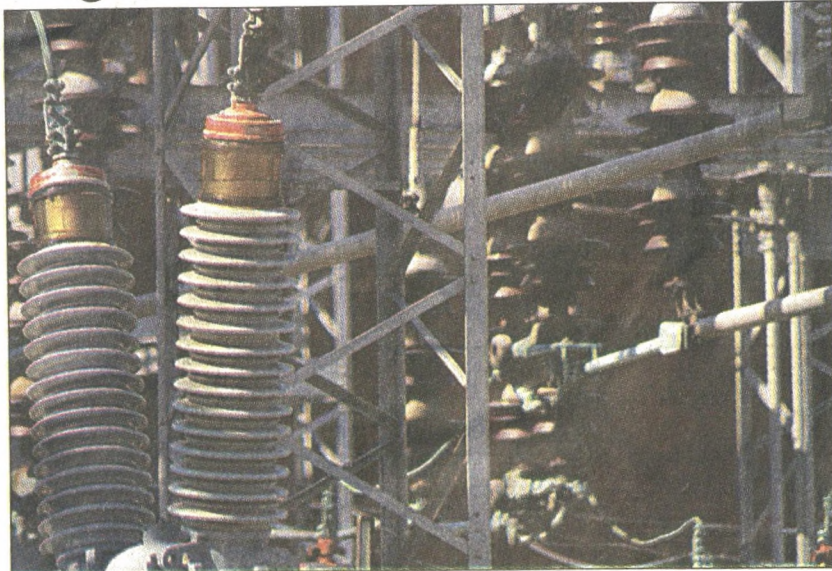
By Don Asoka Wijewardena

The government has a duty to ensure that energy supplies are available, sufficient, affordable and sustainable because Sri Lanka is faced with enormous challenges in ensuring future energy security.

The Power and Energy Ministry, on the instructions of Minister W.D.J. Seneviratne, has formulated National Energy Policy through which the government and the people will develop and manage the energy sector in coming years.

Power and Energy Minister W.D.J. Seneviratne told The Island Financial Review that providing future energy security was one of the prime objectives of the government and energy security concerns had moved up the global agenda due to unpredictable supply and rising demand for energy. Sri Lankan government had taken broad range of measures based on National Energy Policy.

He pointed out that the significant measures taken by the government to strengthen the energy sector included electrification of 83 per cent households, factories and industrial complexes where as the percentage of electrification in India was only 56 per cent, Pakistan 40 per cent and Bangladesh was 33 per cent. The government was in a position to supply the demand without resort-



ing to regular power cuts whereas many South Asian countries had been experiencing power shortages at least during the peak demand periods.

Minister Seneviratne added that Sri Lanka had also been able to provide a satisfactory standard of service in spite of very high generation costs involved. The National Energy Policy had incorporated that the threat of power shortages during periods of severe drought was still there and the reliability of power supply needed to be improved. Standard of services provided to consumers would be improved.

He elaborated that Sri Lanka was in dire need of a more efficient and dynamic power sector to achieve a higher rate of socio-economic development. Ensuring security in power supplies was not an easy task because due to the global situation of unpredictable supply and rising demand for energy, the task had become even more difficult.

Minister Seneviratne said that the foremost challenge Sri Lanka was faced with was securing investments for the development of the energy sector infrastructure to meet the growing demand for power at 7 per cent. Sri Lanka was in need of an annual investment of

Rs.4 billion. Sustainability of the energy sector was another major concern because energy supplies all over the world were threatened due to two main reasons. The first was unpredictable supply of primary energy used for electricity generation and the second reason was rising demand from emerging economies such as China and India.

He emphasized that in Sri Lanka this problem was compounded due to the fact that Sri Lanka had no indigenous fossil fuel resources. The other major concerns in ensuring energy security were providing services at affordable levels, rationalizing pricing systems and improving sector governance.

Minister Seneviratne said that the Norochcholai coal power plant having capacity of 300 MW would be expected to complete by 2010 and it would be expanded to 900 MW by the year 2013. The Upper Kothmala Hydro power plant with a capacity of 150 MW would be commissioned in 2011. The proposed Sampur coal power plant would add 500 MW to the national grid by 2012.

He cited that the challenges were formidable but Sri Lanka was confident that it could face them successfully. The government had already taken broad range of measures in order to ensure the protection and security of power supplies.