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Birth and death of coal power generation

At first, I wanted to ignore Carlo Fernando's (CF) letter of February 26, 2003. However, it was thought that if allowed to go unchallenged it gives the impression what is said in his article is the truth, although he has been singing this same tune throughout, in spite of convincing replies to his earlier letters.

Now, he, after a long deep slumber and perhaps, he speaks of the offer to set up a 300 Mw. coal power plant, at their own cost of US Dollars 350 million. The work to be completed within 36 months, the power generated will be available to the CEB at US cents 04 (SLR. Rs. 4) per unit. A very attractive offer indeed!

CF accuses the CEB of shirking responsibility and palming the baby off to another, referring to the Energy Supply Committee (ESL). CF should know that CEB has grown, diversified and decentralised its activities and handing over of the offer of M/s. Barclay Mowlem for a study is not at all palming responsibility, but strengthening the decision, retaining energy planning the sole responsibility of the CEB.

The next statement "Finding scapegoats — politicians, past chairmen and general managers, bishops, clergy and the like to blame them for their own shortcomings". He should know that the Norochcholai coal power project was stalled or abandoned due to no other reason than the Bishop of Chilaw eliciting from both leaders of the main political parties a pledge to abandon the project not on technical grounds. The good Bishop took the opportunity of the now famous Wayamba Provincial

and the general elections. Added to that CF objected, even after the independent consultants M/s. Ramboll appointed with the approval and request of the Bishop. Strangely CF did not place his two cents worth of objections before the consultants, who held several meetings, some chaired by the Bishop personally. It is amusing to know the reason for CF's objections when he says "Norochcholai is a site where a steady coal supply can never be maintained. The result would be that there will be a majestic looking but idling power plant without coal". Surely CF, the consultants would have gone into the question of transport of coal when making their recommendations. M/s. Ramboll in their report had clearly stated their qualifications and experience in this filed, hence it would appear that there is a hidden reason for CF's objection, soliciting the support of the Bishop of Chilaw.

Next his claim to be one who introduced coal power generation to the generation plan of the CEB, as far as the CEB is concerned is questionable. CF, till the latter part of 1970s was attached to the Water Resources Board. Readers should know that the CEB has a long term generation plan covering a period of 20 years. If that is the case, coal generation would have been included in the plan long before CF joined the CEB. As far as I am aware, CF was requested to assist the first Australian team, as he had no specific job.

Coming back to Barclay Mowlem attractive offer, it should be carefully studied. The government should earnestly be requested to undertake the Norochcholai coal power pro-

ject, according to specifications already drawn up, which will reduce the period for commissioning of the plant by at least one year as investigations, feasibility studies etc., have been completed at a cost of 100 million (SLR). This would also reduce the expenditure which the company concerned would have to incur for initial work.

I am no economist or a businessman, but I fail to see how a company investing such a large sum of US dollars (360 million) could recover its capital cost, not to mention running repairs, maintenance and overheads, unless of course certain concessions in the way of taxes etc., are to be included in the agreement. Public would wish to know, as the ultimate user, the consumer would have to bear the cost.

Finally two questions remain to be answered by Mr. Carlo Fernando and the Bishop of Chilaw, who refused to be convinced despite reports from foreign and local consultants. The Institute of Engineers and the business community who still need this project implemented:

(1) Why did CF not go before the independent consultant M/s. Ramboll?

(2) Why did the Bishop of Chilaw agree to an independent consultant of his choice, if he was not going to abide by the recommendation of the consultants? Was it that some interested parties convinced the Bishop at first and later withdrew due to other influences, perhaps as CF says 'Diesel Lobbyists'?