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## Working Group recommends coal power solution

The Working Group on Power and Energy of the National Development Council has recommended that the Government should proceed with the Norochcholai Coal Power Project immediately if an even worse power crisis is to be averted.

The Group which handed in its report to President Chandrika

Bandaranaike Kumaratunga emphasised that the plant should be commissioned and generating its first 300MW Phase not later than January 2006. The Group headed by former Minister Lakshman Jayakody compiled its policy and strategy recommendations report pertaining to the power and energy sector at the

request of the National Development Council.

The report emphasises that Government should not consider reliance on Liquid Natural Gas (LNG) based power plants since this option would be costly at current low scales of requirement in Sri Lanka.

It recommends that the Government proceed with feasibility

studies for Phase II of the coal power plant to become operational by 2010, as the entire process could require at least eight years.

The report prepared by eminent experts, both in the private and public sectors in the field of energy, electrical engineering, renewable energy and energy

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economics points out that even major developed countries do not rely on LNG as energy source due to its high cost.

The experts also recommended that the Government amend the current policy of exclusive dependence on private investment for thermal power generation. Its policy should be for generated electricity at the lowest socio-economic cost, it points out.

The report points out that even the Indian Government no longer provides further financial counter-guarantee for huge power projects, such as the one that helped Enron finance its controversial three billion dollar power project in Maharashtra.

It recommends the establishment of a National

Energy Commission, with pre-defined membership, to be responsible and accountable for the efficient and independent running of State Agencies in the sector.

The report has also pointed out the necessity of developing a plan to solve the CEB's present financial crisis within two years.

The Working Group has formulated this policy and strategy framework with the objective of ensuring sustainable energy production at minimum cost to our economy and society so that the economy and international competitiveness of the industrial sector and the welfare of the people could be guaranteed.