

Govt. to wipe out CEB debt

By Shakunthala Perera and Aasma Edris

The government yesterday expressed confidence in settling all debts incurred by the Ceylon Electricity Board (CEB), within the next year or two, Power and Energy Minister told Parliament when the vote on the power sector was taken for debate.

Minister Karu Jayasuriya said when the UNF administration took office, the power sector owed Rs. 17 billion to banks and the Treasury. Noting that thermal electricity prices rose

by 40% due to the Iraqi conflict, the Minister said the government was still able to refrain from imposing burdens on the consumer, and said plans were underway to settle the entire debt.

"If not for its unfortunate price increase, the CEB could have become a profit-making institution during the last few months," he added.

The Minister attributed the downfall of the electricity sector to the delay and failure in implementing significant policy decisions.

"When decisions are

taken we take advice from recognised, knowledgeable, honest advisors and officers. We take these decisions for the common good.

However, it is not possible to please everyone all the time. It is therefore natural that some have to be unhappy about our decisions," the Minister explained.

Referring to the implementation of new power projects, he said if action was delayed any further, the Ministry would be guilty of keeping the people in the dark again.

"Between today and December 31, an additional 300 MW will be added to the national grid. Even though Kukule project was delayed by several years when our government assumed office, this project will add 70 MW to the national grid by October, next year.

During 2003, small hydropower projects will add 15 MW and thermal power projects will add 55 MW to the national grid," he explained.

The Minister further said the controversial Upper

Kotmale project had received Cabinet approval and preliminary work of the project was now in progress. Despite some initial delay, the management and the staff were working to complete the project within 5 years.

He also said another project at Kerawalapitiya to generate 300 MW was now under scrutiny. The project is due to be completed in 2005/2006.

"We are now working on the prospects of ushering in a new era for our people. We are looking into the

prospects of finding oil in the area close to our coast. The reports received so far are very encouraging. A Bill that would strengthen the authority for investigations will be presented in Parliament during the sessions next month.

I solicit your co-operation to get it approved without delay. After the Bill was passed, we would call proposals internationally for oil exploration. We hope that our people would be able to reap very good benefits from this program," he added.