COPE decides to hold a special meeting to look into the power generation, procurement, distribution and projects of the Ceylon Electricity Board

Date : 22-06-2022

COPE has decided to meet separately and hold a special meeting in near future to look into the power generation, procurement, distribution and projects of the Ceylon Electricity Board.

This decision was arrived at when COPE met yesterday (21) under the chairmanship of Hon. (Prof) Charitha Herath to look into the Auditor General's reports for the years 2017 and 2018 and the current performance of the Ceylon Electricity Board.

Earlier on the 10th, CEB officials were summoned to COPE to discuss the matter, but due to the lack of time on the said date, several issues could not be taken into discussion.

Members of Parliament who were present pointed out that there are discrepancies in what's been said pertaining to the issues raised in the discussions regarding the purchases, distributions and projects of the Ceylon Electricity Board. Therefore, the members requested the Chairman of COPE to inform the Parliament and the Speaker to appoint a Select Committee to look into all matters including the generation plan. The Chairman of COPE pointed out that the Committee could hold a special meeting to look into this matter.

He also pointed out that this will enable the committee to look into this matter better. Accordingly, the members present also agreed and it was decided to convene a special COPE meeting to look into this matter.

Attention was also drawn to the decision taken by the Cabinet of Ministers on 14th November 2008 and the payment of various staff allowances to the staff from time to time with the approval of the Board of Directors contrary to the provisions of the Management Services Circular No. 39 of 26th May 2009. Accordingly, it was revealed that Rs. 2,134.9 million has been provided as these allowances in the year 2021 and Rs. 1,544.4 million in the year 2020. The COPE Chairman pointed out that there should be accountability for this money as it is public money. He also pointed out that some of the categories used for the payment of allowances were ridiculous. For example, in addition to 'reading the meter', there is also an allowance for 'reading the meter correctly', he added.

He also pointed out that the annual expenditure of the Ceylon Electricity Board exceeds the revenue expected by the Inland Revenue Department through all taxes.

Further, the decision taken by the Cabinet in December 2007 to revise the salaries and when the collective agreement was reached in May 2015, it was decided to shift the liability for PAYE and Advanced Personal Income Tax (APIT) to the employees but from 2010 onwards. It was also revealed that the Ceylon Electricity Board had paid Rs. 4.8 billion (PAYE / APIT) in taxes from its fund without deducting the salaries of the employees till 2020. Officials who were present pointed out that the payment of this tax has been stopped by now.

Commenting on this, the COPE Chairman pointed out that this is a big issue in the country. He also

pointed out that this shows that in the end this money was paid from the money of the people of the country.

Also, based on the draft collective agreement, the Ceylon Electricity Board had increased the salaries of employees by 25% in the year 2021. However, it was revealed that this was not a legal document as it was an unfinished draft agreement as the relevant parties, employers and unions had not signed the draft. Accordingly, the adverse impact on the Board due to this unauthorized payment was approximately Rs. 9.6 billion, the COPE explained. The COPE chairman pointed out that when looking at this, the institution appears to be non-state-owned.

Further, according to the 2018-2034 long term power generation plan, the Seethawaka River Hydro Power Project should have been implemented by 2022. Accordingly, discussions were held regarding the suspension of the project at a cost of Rs. 301.19 million at the end of 2020.

The Members of Parliament stated that it seems like the feasibility study at a cost of Rs. 301.19 million has been carried out and that the project has been dropped halfway, indicating that it is not up to the appropriate feasibility level. Therefore, it was recommended that a full report be submitted to the COPE.

In addition, a consignment of coal purchased from Taurian Iron & steel Co. Pvt. Ltd (TISCL) through Ceylon Coal Company (LCC) in 2013 could not be unloaded due to the monsoon, and the annual new generation of power generated according to the long-term generation plan was varied. Extraction from power plants and various energy sources was also discussed at length.

Minister Hon. Mahinda Amaraweera, Members of Parliament Hon. Mahindananda Aluthgamage, Hon. Rohitha Abeygunawardana, Hon. Indika Anuruddha, Hon. Eran Wickramaratne, Hon. (Dr.) Harsha de Silva, Hon. (Dr.) Nalaka Godahewa, Hon. Jagath Pushpakumara, Hon. Nalin Bandara and Hon. Madhura Withanage were present at this committee meeting held.

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