

Annual Performance Report 2020

Ministry of Power

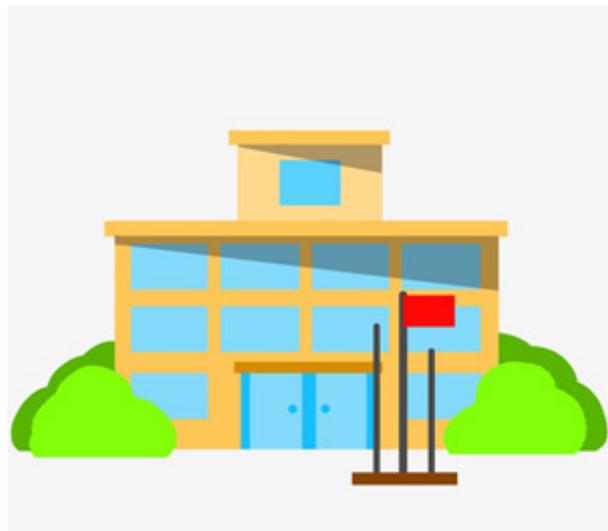
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Chapter 1

Institutional Profile



1.1 Introduction

Electricity is the flow of electrical power that has been widely used by people as forms of energy in order to comfort their lives in various ways while enhancing their quality of lives. Therefore, it has become as an integral part of people's lives. Electricity also plays a significant role in the economic development of a country by way of performing as the lifeblood to carry out all economic and social activities of the country continuously, without any interruption.

This Ministry was able to complete and commissioned Sri Lanka's first large scale 100 MW Wind Power Plant in Mannar District this year, which was a remarkable achievement of the country. The electrification levels in the Southern, Western, Sabaragamuwa, North Central and Eastern provinces have reached up to 100% and the electrification levels of Kandy, NuwaraEliya, Ampara and Vavuniya Districts have also reached up to 100% due to frequent developments made to the National Electricity Grid.

A number of Power Generation Projects, Transmission and Distribution projects are being implemented in order to cater to the electricity demand growing approximately by 5% annually.

1.2 Vision, Mission and Objectives of the Ministry, Key Functions

Vision

A Sustainably Developed Sri Lanka

Mission

Providing leadership in the areas of Power through electricity generation, transmission and distribution, supply, procurement of coal for power plants and electricity related project execution.

Objectives

1. 100% Electrification of the country and maintain the level.
2. Increase the Power Generation Capacity of the country from the existing 4,621 MW to 6,900 MW by 2025 with maximum feasible development of Renewable Energy.
3. Improve Transmission Network
 - From 799 km to 1,300 km in the 220 kV network by 2025.
 - From 2,361 km to 3,000km in the 132 kV network by 2025.
4. Maximize Renewable Energy share of the total electricity generation.
5. Improve Distribution Network to provide quality service and to maintain 100% household electrification level.
6. Reduce Technical and Commercial losses of the System from 8.35% to 7.5% by 2025.
7. Convert the power system of the country to a Smart Grid by encouraging the manufacturing of electrical equipment locally.

Key Functions

As per the Extraordinary Gazette No. 2153/12 of 10.12.2019, the following functions were assigned to the Ministry of Power & Energy,

- Formulation of policies, programmes and projects, implementation, monitoring and evaluation of projects and programmes in relation to the subjects of Power and Energy and the subjects of the statutory institutions comes under the purview of the Ministry.
- Exploring, planning, monitoring and developing activities relating to the generation of electricity and other energies by using power sources such as solar, water, thermal, coal, wind and waste.
- Controlling the greenhouse gas emission.
- Rural electrification.
- Managing demands and developing renewable energy in order to improve energy efficiency.
- Formulation of an appropriate energy policy for the control, regulation and utilization of power resources.
- Importing, refining, storage, distribution and coordination and implementation of marketing activities of Petroleum-based products and natural gas.
- Petroleum products and activities related to refining.
- Exploration of petroleum & natural gasses and related activities.
- Matters relating to the production of Gas and by-products from petroleum production sources, storage, maintenance of stocks, production and distribution.
- Development of infrastructure facilities in relation to the supply and distribution of fuel.
- Supervision of the Institution under the purview of the Ministry.

According to the Extraordinary Gazette No. 2187/27 published on 09.08.2020, Ministry of Power has given the following special priorities to accomplish under the relevant subjects and functions under the purview of the Ministry.

a. Subjects & Functions

Providing policy guidance to relevant State Ministry, and formulating policies in relation to the subject of Power, in conformity with the prescribed Laws, Acts and Ordinances, implementation of projects under the national budget, state investment and National Development Programme, and formulating, implementing, monitoring and evaluating policies, programmes and projects, related to subjects and functions under below-mentioned Departments, State Corporations and Statutory Institutions for “Assuring low-cost power generation and efficient distribution” based on the national policies implemented by the government, and in accordance with the policy statement “Vistas of Prosperity and Splendour”.

b. Special Priorities

- Developing a Smart Grid to ensure maximum efficiency and utility of the power generated.
- Expanding investments to increase the power generation capacity of the Lak Vijaya coal power plant.
- Equilibrating the mix of renewable energy power plants, thermal power plants and natural power plants, and thereby reducing the cost of power generation and eliminate uncertainties that may occur.
- Implementing the power generation plan based on long-term requirements.
- Making the power transmission and distribution processes efficient.
- Minimizing the cost of power in order to maintain the international competitiveness of the industrial production process

Main Divisions of the Ministry

1. Administration and Procurement

Key Functions:

- All the administrative activities related to the Ministry
- Proper maintenance of personal files of the Ministry staff.
- Human Resource Development
- Draft answers to parliamentary questions.
- Activities related to Public Petition Committee.
- Activities related to Sectoral Oversight Committees and Sub Committee on Power.
- Provide administrative guidance to all the statutory bodies come under the purview of the Ministry.
- Transport services and maintenance services of the Ministry.

Procurement

Key Functions:

- Timely compliance of project related procurement work through Cabinet Appointed Procurement Committees (CAPC), Cabinet Appointed Negotiating Committee (CANC), Ministry Procurement Committees (MPC) and Standing Cabinet Appointed procurement Committee (SCAPC).

2. Thermal, Transmission and Distribution

Key Functions:

- Implementation Large and Medium scale Power Generation projects and all the Policy matters relevant to the Thermal Power generation, Transmission and Distribution.
- Introduction of Liquefied Natural Gas (LNG) to Sri Lanka Power Sector as environmentally friendly fuel.
- Approval, implementation and land acquisition of large and medium scale thermal power plants including coal power plants.
- Coordination with External Resources Department for funding.
- Coordinate Coal Supply to Norochcholai Coal Power Plant.

3. Renewable Energy Development

Key Functions:

- Facilitate, promoting establishment of Renewable Power Plants, Implementation and related infrastructure facilities and acquisition of lands.
- All activities related to the Renewable Energy projects.
- Coordination with all relevant external Institution related to the above activities.
- Coordination with International Solar Alliance and International Renewable Energy Agencies.
- Activities related to the facilitation of the tax concessions and Security and VISA Clearances.

4. Planning

Key Functions:

- Preparation of Project proposals and obtaining necessary approvals for implementation. (From Department of National Planning and Cabinet of Ministers).
- Preparation of Action Plan of the Ministry, Performance Report of the Ministry and Preparation of Progress Report for the Annual Budget.
- Preparation of annual budget for development projects.
- Monitoring and review the progress of the projects and preparation of reports.
- Coordination with CEB on the preparation of Generation Plan and Transmission Plan.
- Submission of information to the preparation of District Development Plans.

5. Policy, Technical and Research

Key Functions:

- Act in Collaboration with the Public Utilities Commission of Sri Lanka (PUCSL) in amending the provisions of the Sri Lanka Electricity Act and enforcing the regulations, issuing policy guidelines, drafting electricity tariffs and issuing licenses etc.
- All the technical activities related to the electricity generation, Transmission and Development.
- Technical activities related to Energy Conservation and Demand Side management.
- Monitoring of the Power Plant productions and operations.
- Technical matters related to the prevention of Power failures, lapses of transmission and Distributions.
- Coordination of the projects implemented by Atomic Energy Regulatory Council (AERC) and Atomic Energy Board (AEB).
- Enactment of laws and regulations related to the Electricity Act.
- Technical activities related to the Power & Energy projects.
- Preparation, Implementation and Coordination of the National Energy policy and Strategies.
- Coordination of National Energy Conservation Programme.
- Facilitation to the Research and development activities in Power Sector.
- Activities related to the World Energy Council.
- Coordination and obtaining necessary approvals for Memorandum of Understandings comes under the Ministry Scope.

6. Finance Division

Key Functions:

- Public Finance Management activities on accounting for expenses related to financial provisions allocated under both operations and development activities.
- Controlling financial provisions for the three main tasks; power generation, power transmission and power distribution, reporting the expenditure local and foreign funded projects under development programmes without exceeding provisions.

7. Internal Audit Division

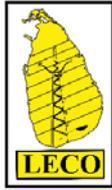
Key Functions

- Preparation of Internal Audit Plan of the Ministry as per the instructions of the Management Audit Department.
- Implementation of approved Internal Audit Plan.
- Carrying out all the activities pertaining to the Committee on Public Accounts (COPA) of the Ministry.

1.4 The Institutions coming under the Purview of the Ministry



CEB: Established by Act No.17 of 1969. It is empowered to generate electrical energy, transmit it and distribute same to all categories of consumers and to collect revenue as per the tariff approved by the Public Utilities Commission of Sri Lanka (PUCSL)



Lanka Electricity Company (Private) Limited (LECO): A subsidiary of CEB with shareholding of 54.84%, and with minority shareholding of the Treasury 43.56%, Urban Development Authority 0.79% and Local Authority 0.81%



LTL: A subsidiary of CEB with shareholding of 63%, with minority shareholding of its employees (37%)



Lanka Coal Company (Pvt). Ltd.: A subsidiary of CEB with shareholding of 60%, with minority shareholding by the Treasury (20%), Sri Lanka Shipping Corporation (10%) and Sri Lanka Ports Authority (10%)



Sri Lanka Energies (Pvt) Ltd: A subsidiary of CEB with 100% shareholding.

1.5 Foreign Funded Projects

(a)	(b)	(c)	(d)	
Name of the Project	Lending Agency	Estimated Cost (Rs. Mn)	Project Duration	
Generation projects				
1	Construction of 31 MW (Moragolla Hydropower Project)	ADB	18,809	2014-2023
2	35 MW Hydro Power Plant at Broadlands -	Previously China	9,424	2013-2021
3	120 MW Uma Oya Hydro Power Plant	Iran	USD 530 Million	2010-2021
4	100 MW Wind Farm along the Southern Coast of Mannar Island	ADB	24,162	2018-2020
5	Mannar Transmission Infrastructure Lot A: Construction of Mannar 220/33 kV Grid Substation Lot B: Construction of 220kV, 130km, Double Circuit Transmission Line from New Anuradhapura to Mannar via Vavuniya	ADB	4,149.7	2015-2020
6	Transmission Infrastructure Capacity enhancement Lot A: Construction of Kappalthurai 220/132 kV GSS and Augmentation of Kerawalapitiya, Katunayake, Trincomalee GSS Lot B1: Augmentation of New Anuradhapura Gs and Construction of Kesbewa, Kaluthara Old Anuradhapura GSS Lot B2 : Construction of 132kV Transmission lines in Kappaithurai, Kalutara, Kesbewa and Old Anuradhapura.	ADB	(A: 2525.63 B1: 2737.97 B2: 692.62) 5955.22	2016-2021
7	Hambantota 220kV Development (P1) Lot A - Hambantota Grid Substation 220kV development Lot B - New Polpitiya - Hambantota 220kV, 150km transmission line	ADB	7660 (A: 1866 B: 5794)	2017- 2021
8	Mannar - Nadukuda Transmission Development (P2) Lot A - Construction of Nadukuda 220/33 kV Grid Substation, Augmentation at Mannar 220/33kV Grid Substation, Lot B1 - Mannar - Nadukuda 220kV, 30km transmission line Lot B2 A: (AFD)- Padukka - Horana 132kV, 25km transmission line Lot B2B: (AFD) 2nd cct stringing of Habarana-Valachcheai 132 kV Tra.line	ADB+AfD	5172 (A: 2698 B1:1380 B2:1094)	2018- 2021

9	Construction of Colombo B GSS Single In & Out Connection from Colombo C - Kolonnawa 132kV 800mm ² Cable Augmentation at Colombo C and Kolonnawa Grid Substations	AFD	1261	2018-2021
10	Augmentation of Kotugoda Grid Substation Augmentation of Kolonnawa Stanley Grid Substation Augmentation of Padukka Switching Station Augmentation of Horana Grid Substation Augmentation of Dehiwala Grid Substation Augmentation of Madampe Grid Substation	ADB	2214.2	2018-2021
11	Lot B: Construction of Biyagama 220/33kV GSS Augmentation of Biyagama Grid Substation	ADB	1434	2018-2021
	Supporting Electricity Supply Reliability Improvement Project Lot A1: Installation of 100 MVAR BSC at Pannipitiya Grid Substation Lot A2: Installation of Static Var System (SVS) at Biyagama Grid Substation	ADB	2692	2019-2022
12	220kV Switching Station at Kerawalapitiya	ADB	2775	2020-2022
13	P4 (AFD) 33 kV distribution Tower Lines and Gantries P5 (ADB) - Augmentation of 02 Nos. existing 33/11 kV Primary substations at Ethulkotte and Beligaha. - Construction of 01 No. new 2x 10 MVA 33/11 kV Primary substation at Raththanapitiya.	ADB+AFD	5,330	2018-2022
14	300 kVA Micro Grid Pilot Project -LECO	ADB	277	2019 - 2022
15	Electricity Supply Reliability Improvement Project Package 4: Construction of 300 km long 33kV tower lines and 13 no. of 33kV switching gantries	ADB	6782	2019 - 2021
16	Package 5 : Supply and Delivery of Material for rural electrification network extended and distribution performance monitoring Lot 1: Distribution Meters and Modems Lot 2: Current Transformers for Metering Lot 3: Load Break Switches and Auto Reclosers Lot 4: Steel Meter Enclosures Lot 5: 33kV ABC and Accessories	ADB	1456	2018 - 2021
17	Package 6: Construction of Hybrid renewable energy systems in 03 small islands Nagadeepa, Analitivu, Delft	ADB	2172	2019 - 2022
18	Supporting Electricity sector Reliability improvement Project Awareness on energy saving for households in 3 islands	ADB	112	2016 - 2020

19	Habarana - Veyangoda 220 kV Transmission Line Lot A: Construction of New Habarana 220/132/33 kV Switching Station Lot B: Construction of 220 kV double circuit three phase transmission line of twin low loss conductors (2 x LL-TACSR) New Habarana Substation to Veyangoda Substation 146 km of route length	JICA	11,269	2017 - 2021
20	National Transmission and Distribution Network Development and Efficiency Improvement Project Package 1 – Transmission Lines Package 2 – Grid Substations Package 3 – Transmission Lines Package 4 – Distribution Lines	JICA	37,285	2019 - 2022
21	Renewable Energy Absorption Transmission Development Project Construction of new Grid Substations at Maliboda, Wewalwatta, Nawalapitiya and Ragala	AFD	6,228	2015 - 2021
22	Power System Reliability Strengthening Project (PSRSP)	ADB	22,490	2021 - 2023

1.6 Budget proposals 2021

1.6.1 Deyata Eliya Programme (Electricity for All by the end of 2021)

Although the electricity grid has penetrated to many parts of the rural areas nearly 100,000 households, especially low-income families, are constrained from being connected to the national grid, due to their inability to pay the initial cost of connectivity. The Government has decided to provide electricity service connection for those families before the end of 2021. Rs.750 million has been allocated under the budget of the Ministry of Power for 2021 for this purpose. Beneficiaries will be selected by the CEB in collaboration with the Divisional Secretaries, Samurdhi Managers and LECO officials.

1.6.2 Rooftop solar power systems for low-income families

It was proposed to convert 100,000 low - income families into income generators by providing Solar Rooftop systems. By implementing this programme, beneficiary households will be able to earn more income than the Samurdhi allowance. The Samurdhi Bank will provide necessary loans to the selected beneficiaries for the installation of Solar Rooftop System. Through this initiative, it is expected to add approximately 500 MW to the National grid. A pilot project is planned to initiate in Anuradhapura, Mathara, Hambanthota, and Monaragala in 2021.

1.6.3 100 kVA Solar Power Programme connected to the existing Transformers of CEB (Power Plant for a Village programme)

It has been planned to connect 100 kW capacity solar plants to the 7,000 distribution transformers in the existing distribution network through this programme. The objective of the programme is to add 700 MW to the National grid by local investors during 2021-2023. It is expected to generate at least 10,000 direct jobs and 20,000 indirect jobs through this programme. Divisional level project developers/Investors/Entrepreneurs will be benefited from this programme. Investors will be selected through competitive bidding process.

1.6.4 Solar powered Water Pumps for the Commercial Agro Farms

Employment share of the Agriculture sector of the country is about 28%. However, currently the contribution of the Agriculture Sector to the GDP is less than 8%. Therefore, it is paramount need to improve this sector productively.

Cost of electricity is one of the key factors for low rate of water pumping and use of water appliances in agricultural sector. In order to address this issue, the Ministry has introduced Rs. 15,000 loan for selected 10,000 commercial Agro farms to obtain Solar Powered water pumps. Selection of Commercial Agro Farms will be done through the Department of Agriculture and Divisional Secretariates.

1.6.5 Solar Power programme for Government Sector Buildings, Religious sector and Floating Solar through Indian Line of Credit

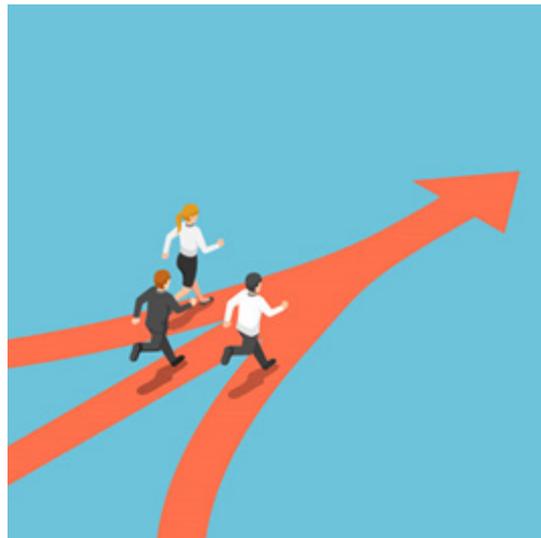
The main objective of this programme is to meet the electricity demand of the Government sector buildings, religious organizations, through this solar power generation programme while reducing the cost of electricity. This programme consisted three components and as the first phase of this Programme, the first component of this programme which is expected to provide solar power to the Government Sector Buildings will be started. Thus, the Government buildings that can meet their energy demand from solar power generation without rely on national grid will be selected. The financial assistance for this programme will be obtained from the Indian Line of Credit and Out of total estimated funds (USD 100 Million) 85% will be used for the provision of Solar power to the Government sector buildings, 10% will be used to provide solar power to religious building. The remaining funds will be used to construct 2 small floating solar projects (2.5 MW) to construct floating solar projects in their water bodies.

1.6.6 Off Shore Wind Power plants and Floating Solar

100 MW off Shore Wind plants and Floating Solar plants on selected inland water bodies are expected to implement through private sector investment with the support of Board of Investment (BOI).

Chapter 2

Progress & Way Forward



2.1 Progress of Power sector during 2020

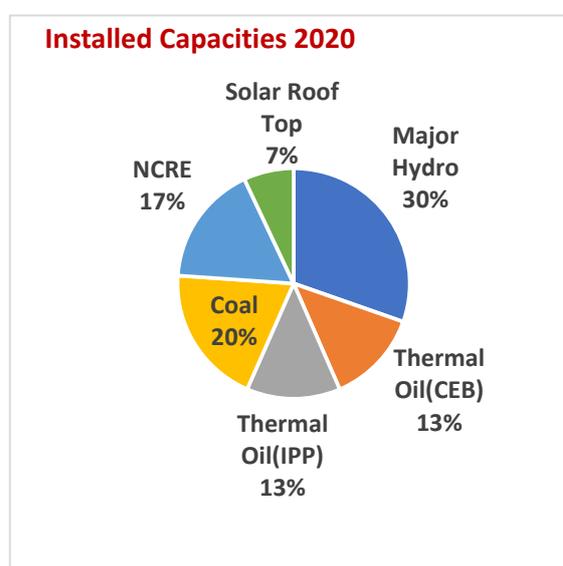
2.1.1 Electricity Generation, Electricity Accessibility, and Reliability Improvement

I Electricity Generation Expansions

Sri Lanka is a country blessed with ample renewable energy resources, hydro being the main source. Other renewable sources such as wind, solar, dendro and biomass which are considered as Non-Conventional Renewable Energy (NCRE) sources are also used in power generation. Thermal Energy sources such as coal and thermal oil (Diesel and Furnace oil) are also used for power generation in power plants that are owned by the CEB and Independent Power Producers (IPP).

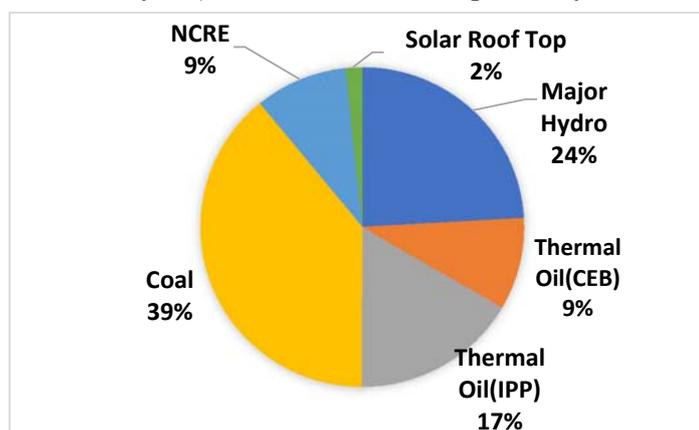
The total installed capacity of the National Grid in 2020 was 4,621 MW, which is a 3% increase than 2019 due to the renewable energy integration including solar rooftop electricity generation. Compared to 2019, an additional 133 MW was added to the system in 2020.

Source	Capacity (MW)	%	No. of Power Plants
Major Hydro	1,399	30%	17
Thermal			
Oil (CEB)	604	13%	9
Oil (IPP)	601	13%	6
Coal	900	20%	1
Renewable (NCRE)			
Mini Hydro	422.97	17%	211
Wind	248.45		18
Solar (Ground Mounted)	70		27
Dendro & Biomass	38.11		12
Solar Roof top	337		7%
Total	4,621		301



Energy Mix

From January to December 2020, 16,304 GWh of electricity was generated. As per the draft Long-Term Generation Expansion Plan of CEB for the period 2020-2039, the electricity generation for 2020 was forecasted as 18,542 GWh. However, the expected electricity was unable to generate due to Covid-19 outbreak. Out of the total energy generation of 2020, 39%, 24% and 26% of energy were generated from coal, hydro sources (Without Mini hydro) and thermal oil respectively. The share of NCRE was 11%.



The following electricity generation projects which are being implemented by the Ministry have been in different stages of implementation during 2020.

(a) Major Hydro Power Plants

Moragolla Hydro Power Project (31 MW)

Moragolla power project which constructed on the Mahaweli River Basin is located in the Ulapane area in Kandy District. It is expected to generate 100 GWh of energy annually. The ADB has provided a loan of \$ 113.86 million for the project under the “Green Power Development and Energy Improvement Investment Programme” in 2017. Preliminary work of the project was commenced in 2018. The current physical progress of the project is 27%. Construction progress is slowed down due to COVID 19 pandemic situation in the country. It is expected to complete the project and commissioned by November 2023.

Broadlands Hydro Power Project (35 MW)

The Broadlands Hydropower Project is a run-of-river type of project, planned to build in the Kelani river. The key objective of the project is to harness the hydro potential downstream of the existing Polpitiya Power Station. The project will have an installed capacity of 35 MW and expected to generate 126 GWh of electricity annually. The main sites of the project are located near Kithulgala. The main components included in the projects are the main dam, diversion dam, main tunnel, diversion tunnel, a power station with two 17.5MW Turbine Generator units, Switchyard and Transmission Line.

It was decided to maintain a firm water release to safeguard White Water Rafting sport in the Kithulgala area and as a result, there will be a reduction in the annual energy generation. The water release is done through a Mini Hydropower Plant to minimize the loss of generation. The total original estimated cost of the Project was 82 USD Million. Out of the Total Estimated Cost, 85% was covered by a loan funded by the Industrial and Commercial Bank of China (ICBC). The other 15% will be met by a loan from the Hatton National Bank of Sri Lanka. The validity of the ICBC loan was expired on 16.12.2019. Therefore, CEB has negotiated with the People’s Bank to finalize a loan to meet the balance funds required to complete the remaining work. In terms of the physical progress, 79% has been completed and expected to commission by June 2021.

Uma Oya Hydro Power Project (120 MW)

Uma Oya Multipurpose Development Project is being implemented by the Ministry of Irrigation and Water Management. The Project is located in the Welimada area in Badulla District.

The Project includes the components of construction of two dams across Uma Oya and a tributary at Welimada, trans-basin diversion tunnel, and underground hydropower plant, diversion of 145MCM of water to irrigate approximately 5000 hectares of land in Hambantota and Monaragala Districts and other downstream requirements. The expected annual energy production is 290 GWh. The Total estimated cost of the project is 529 USD Million. In terms of physical progress, 96% of the construction is completed and expected to complete the project and connect to the National Grid by end of June 2021.

Seethawaka Ganga Hydro Power Project

The location of the project is the Seethawaka Ganga tributary of the Kelani River in the Seethawaka area in Kegalle District. Originally it was expected to implement a 20 MW Hydro Power Plant. The feasibility of the project was completed and identified that the cost of the project will be 80 USD Million. CEB is of the view that the project is not

economically viable with a high cost. Hence, Sri Lanka Energies which is a subsidiary of CEB is planning to implement this project as a 14 MW (2x7MW) Mini hydro Power project.

Thalpitigala 15 MW Hydro Power Plant

This Hydropower Plant will be implemented by the Ministry of Irrigation. It is expected to complete and commission the plant by 2024.

(b) Wind Power

Mannar Wind Power Park (300 MW)

Sri Lanka's first large scale Wind Farm is Mannar Wind Farm which is located on the Southern coast of Mannar Island. As the first step, 100MW of wind power has been developed. The Project comprises 30 numbers of state-of-the-art wind turbines, each rated to 3.45 MW and the total installed capacity of this wind farm is 103.5 MW. This project has been built to exploit the major monsoonal wind systems in Sri Lanka. It is expected to generate 400 GWh of electricity annually. The total estimated cost of the Project is 200 USD million and it was met by a loan from the Asian Development Bank (ADB). The project commenced in March 2019.

The first Phase was commissioned on 8th December 2020 in the name of "Thambapawani" and 30 MW was connected to the National Grid. Rest of the capacity was connected in may 2021 after the completion of the Nadukuda Grid substation. The savings of the ADB loan of this project will be utilized to establish an additional 20 MW of Wind Power in the same location.



"Thambapawani" Wind Park in Mannar



Opening of the Wind Park

As the second phase, the Sri Lanka Sustainable Energy Authority (SLSEA) has commenced the surveying of identified lands in Mannar Island to develop an additional 200 MW of capacity. The necessary activities are being carried out to conduct the Feasibility Study of the project.

Hybrid Renewable Energy Park in Pooneryne (240 MW Wind and 150 MW Solar)

Pooneryne is an area with the greatest wind power potential in South Asia. It is expected to develop 240MW wind power and 150MW solar power stations in this park with private investment.

The SLSEA has identified and surveyed the land required to develop the power park. A pre-feasibility study and the bird & bat survey have been completed. International Finance Corporation has prepared the Request for Proposals documents and expected to call proposals before August 2021. ADB has agreed to provide financial assistance to conduct the Environmental and Social Impact Assessment and the Geo-Technical Survey.

Chunnakum Wind Power Plant (2 X 10 MW)

Two wind power plants each 10 MW in capacity were constructed and connected to the National Grid in June 2020 and Commercial operations are carried out as Independent Power Plants (IPP).

Small Scale Wind Power Plants (60 MW)

A total capacity of 60 MW (1-10 MW wind plants) wind power plants is expected to be developed in areas such as Mannar, Bolawatta, Madampe, Kappalthurai and Trincomalee by using private investments. Trincomalee Wind plants was awarded on 4th January 2021. Madampe and Mannar are under the procurement process.

(c) Solar Power

Soorya Bala Sangramaya - Solar Rooftop Programme

The rooftop solar programme was introduced in 2016 to help different segments of the community to join renewable energy-based power generation.

In 2019, the Government introduced a low-interest loan scheme with the support of a USD 50 million loan from the ADB for domestic, industrial and commercial establishments to access funds for up to 50kW solar rooftop systems. At the end of the year 2020, a total of 337 MW capacities of solar rooftops were connected to the National Grid through 30,149 systems all over the country.

Small Scale Ground Mounted Solar Power Plants (35X1 MW and 70X 1MW)

Under these two projects, a total capacity of 105 MW ground mounted solar power plants will be developed as 1 MW small plants through Private Investments. 31 plants have already been completed and connected to the National Grid. 74 plants are under construction and expected to complete by end of 2021.

10 MW Solar Plant in Pollonnaruwa (Kaduruwela) will be implemented with Aloe vera Cultivation. The Tender was awarded in 2020 and expect to be commissioned operations by 2022.

1-10MW Solar Power Plants (total of 150 MW)

A total of 150 MW of solar power projects with 1-10 MW each are expected to be developed with private investments. Projects for 147 MW were awarded in early March 2021.

20MW Solar Power Plants – Valachchenai (10MW) & Vavunathevu (10 MW)

2X10 MW solar power plants in Valachchenai and Vavunathevu are expected to commence construction. Currently, those projects are in the process of acquiring the necessary lands.

Siyambalanduwa Solar Park (100 MW)

This project will be Sri Lanka's first large scale solar Park, established in Siyambalanduwa in Monaragala District with a capacity of 100 MW. A land of 500 acres has been identified for implementing the park. Pre-Feasibility Study has been conducted and the Environmental Impact Assessment was completed in 2020. The Asian Development Bank (ADB) has provided technical assistance to analyze the financial and technical aspects of the project and to develop Request for Proposals (RFP). ADB has developed a business model for the project incorporating transmission facilities. It is expected to commission the project by 2023 and to generate 148 GWh of electricity annually by the project.

Solar Power Projects under the Indian Line of Credit

The Government of India has agreed to provide a credit line of USD 100 Million by Indian Exim Bank for the solar power development project. Under this project, it is expected to implement rooftop solar on Government buildings, religious organizations and to start 2 small floating solar pilot projects. Loan agreement was signed in June 2021.

(d) Mini Hydro

Mini- Hydropower Plants having capacities of 11.84 MW are under construction through private investments and expected to connect to the National Grid by mid-2021. Further 12.4 MW capacities of Mini-Hydropower Plants will be connected to the Grid by end of 2021.

(e) Biomass

Currently, 38.11 MW has been connected to the National Grid through 12 Plants and 10 MW will be expected to connect to the system by 2021.

(f) Waste to Energy

CEB signed Power Purchase Agreements (PPA) for the two Waste to Energy (WTE) power plants in the Country. 10 MW Muthurajawela WTE Power has commenced commercial operations on 18th February 2021. 10 MW Karadiyana WTE power plant is expecting to be completed in November 2021.

(g) Thermal Power Generation

1. Norochchole Lakwijaya Coal Power Plant – 300 MW extension

It is proposed to extend the 900MW Lakwijaya Coal Power Plant in Norochchole by adding another 300 MW unit as a joint venture between CEB and China Machinery Engineering Corporation who completed the other three coal plants in Norochchole. Cabinet approval has been granted for this project. The Environmental Impact Assessment of the Project is in progress. Negotiations on the Implementation of Joint Venture Company has been started between CEB and the Investing Company. Also, negotiations have been commenced on the Power Purchase Agreement, Implementation Agreement and Coal Supply Agreement. It is expected to complete the project by 2024.

2. 130 MW Gas Turbine Power Plant in Kelanithissa.

This power plant is planned as a peaking plant and to restore electricity supply to Colombo City during emergencies. The total estimated project cost is USD 70 Million. Procurement activities are in progress and expected to be commissioned by 2022.

3. Implementation of Energy Park in Foul Point, Trincomalee

Cabinet approval has been obtained to acquire 207 hectares of land in foul Point to implement the Energy park.

(h) Liquid Natural Gas (LNG) Development

1. First 300 MW Liquefied Natural Gas (LNG) Power Plant - Kerawalapitiya

The first LNG fired Combined Cycle Power Plant with 300 MW capacity will be implemented in Kerawalapitiya. This plant will function as an Independent Power Producer (IPP). Cabinet approval was received to award the Tender to the Lakdanavi Company. It is expected to commence commercial operations in 2023.

2. Second 300 MW Liquefied Natural Gas (LNG) Power Plant in Kerawalapitiya.

This power plant is also expected to be constructed in Kerawalapitiya. It is expected to go for the open competitive bidding process for the selection of a suitable contractor to implement the project as IPP and BOOT model in 2021. It is expected to commission the project in 2024

3. LNG Supply and Infrastructure

For the supply of LNG to the proposed power plants, the following projects have to be completed.

- Deployment of floating Storage Regasification (FSRU) and mooring system at Kerawalapitiya. – RFP documents are prepared by CEB with the assistance of the consultants appointed by Asian Development Banks. (ADB) and RFP documents are being reviewed by the Project Committee.
- Construction of Gas Pipeline from FSRU to the power plants. – Responsibility for the construction of the Gas pipeline is on the Ceylon Petroleum Corporation (CPC).
- LNG supply – the CEB will be given a special licence by the Minister of Energy for 5 years for the supply of LNG for the power plants

The commercial operations of the above project are expected to commence in 2024.

4. LNG Power Plant in Kerawalapitiya with the Government of Japan

Cabinet approval has been obtained and signed the Cooperation and Memorandum of Understanding with the Government of Japan to implement this project. 100 hectares of land in Kerawalapitiya area has been identified for this project. Activities are being carried out to acquire the land for CEB on a long term lease basis.

5. LNG Power Plant in Kerawalapitiya with Indian Investment

CEB has commenced discussions with National Thermal Power Corporation Limited, India (NTPC).

(ii) Improved Electricity Accessibility

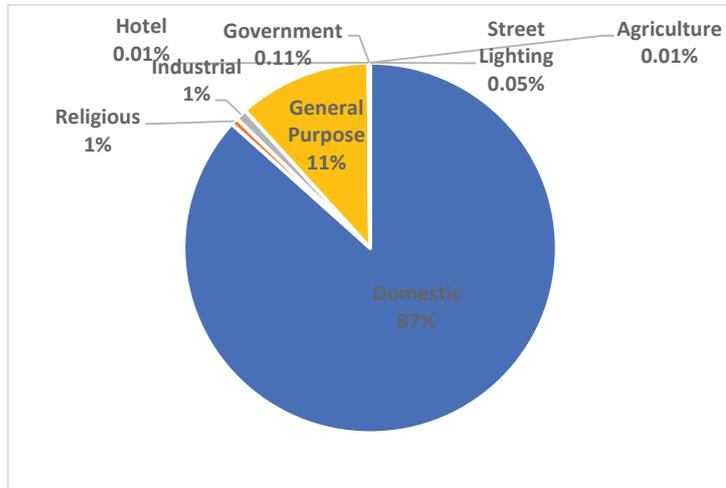
The electricity distribution network of the country has penetrated almost every part of the rural areas of the country. Hence, electricity accessibility is 100%. Ministry was able to provide electricity to 99.9% of the households in the country.

Although the distribution network has extended to many rural areas, a considerable number of households, especially low-income families, are constrained from being connected to the national grid, due to their inability to pay the initial cost of connectivity. Therefore, the Ministry is planned to provide electricity connection to those low-income households before Sinhala and Hindu New Year in April, 2021.

(a) Electricity Consumer Growth

The total number of electricity consumers in 2020 was 7,216,933. 57,207 number of new connections were provided in 2020. The number of electricity consumers coming under different categories are given below,

Electricity Consumer Base 2020	
Domestic	6,229,628
Religious	44,361
General Purpose	861,006
Industrial	69,088
Government	7,917
Hotel	531
Agriculture	827
Bulk+ Street Light.	3575
Total	7,216,933



Consumer Categories 2020

(iii) Electricity Transmission & Distribution Projects Development

Our Transmission Network is consisting of 799km of 220kV transmission lines and 2,361 km of 132kV lines. There are 79 Grid substations in the network and 134 primary substations. Operations of the transmission network are carried out by CEB.

Kegalla and Maliboda 132/33 kV Grid Substations, Padukka 220/132kV Grid substation and Kerawalapitiya 220/33kV Grid substations are added to the network in 2020.

The Distribution Network consists of 33,138.27 km of 33kV lines, 2,448 km of 11 kV lines and 150, 169 km of low voltage lines and 33,476 Distribution Grid Substations.

To ensure reliable quality and uninterrupted power supply, as well as to absorb more renewable energy to the system, transmission network developments are carried out frequently. Most of these developments are done with the assistance of the ADB, JICA and AFD.

The projects mentioned in Chapter 01, Clause 1.5 are being carried out in 2020. There is 20km of 400 kV transmission lines, 691km of 220 kV lines and 585km of 132 kV line will be completed by implementing by ongoing projects.

(iv) Reliability and Efficiency Improvement of Power Sector

The Ministry is facilitating CEB to carry out necessary activities to reduce the Technical & Commercial Losses of the System to 7.5% by 2025. Accordingly, necessary Grid Substation Augmentation work and reconstructions of existing transmission lines are carried out to enhance the reliability and efficiency of the Network.

Currently, Technical and Commercial losses of the power system have been reduced to 8.35% from 9%.

Several New Grid Substations are constructed and existing Grid Substations are being augmented to improve the system reliability.

Province	New Grid Substation	Augmentation of GSs
Western Province	Padukka Kesbawa Kalutara Kirindiwela Battaramulla	Pannipitiya Kosgama Rathmalana Veyangoda Pannipitiya Kerawalapitiya Katunayaka
Northern Province	Nadukuda	Mannar Chunnakum Vavuniya
North Central Province	Old Anuradhapura Habarana	New Anuradhapura
North Western Province	Madampe Tulhiriya Pannala Bolawatta	
Central Province	Polpitiya Nawalapitiya Wewalwatta	Naula Ukuwela Kothmale
Sabaragamuwa Province	Maliboda	
Eastern Province	Kappalturei	Trincomalee
Southern Province		Hambanthota Ambalangoda

Development of Smart Grid

The plans are underway for the expansion and modernization of the grid as a smart grid to enhance reliability and to integrate large quantities of renewable energy. Already both CEB and LECO are implementing internet-based service delivery systems and plan to introduce an array of digital services to the customers within the year 2021. The project for the introduction of Enterprise Resource Planning Systems for the CEB will commence implementation by the end of the year.

Smart Grid Roadmap is prepared and Implementation is already in progress about smart metering, advanced distribution management system, GIS mapping-based resource management, advanced forecasting technologies etc.

The Micro - Grid pilot project has been initiated with grant support from the ADB and that will ensure enhanced reliability to the customers.

2.1.2 Demand Side Management of Energy

Operation Demand Side Management Programme is carried out by the SLSEA. Progress of 2020 as follows,

Thrust Area	Work Carried Out
Efficient Air Conditioning	Specification and funding proposal for an AC test facility was prepared and submitted to several donor agencies. The proposal was sent to ERD for approval.
Efficient Refrigerators	Bidding documents is being prepared for the procurement of refrigerant cylinders for the pilot study under the refrigerator replacement programme.
Efficient Chillers	TERMS OF Reference (TOR) is being prepared for the chiller survey.
Efficient Fans	Data validation of the household appliance survey was completed and data migration to the Department of Census & Statistics is in progress.
Smart Homes	Booklet on Energy Efficient practices in the domestic sector is published.
Eliminating Incandescent Lamps	Phase 1 of the LED distribution programme is completed.

2.1.3 Climate Change Activities

Nationally Determined Contributions (NDCs)

Green House Gas (GHG) in the power sector in Sri Lanka has recently been on an increasing trend due to the use of petroleum-based fuels for electricity generation. As per the COP 21 Paris Agreement, Sri Lanka committed to 4% unconditional and 16% conditional reduction of CO₂ emissions in the Power Sector from Business as Usual (BAU).

GHG emission reduction in the power sector is to be achieved by enhancing renewable energy contribution to the power generation mix and to promote energy efficiency through implementing Demand Side Management (DSM) measures, improving transmission and distribution networks and introduction of natural gas (NG) based power generation to the country. Ministry with relevant Institutions is in the process of updating the power sector National Determined Contributions (NDCs) to forward the same to the UNFCCC through the Climate Change Secretariat of Sri Lanka on 2021.

2.2 Challengers and Lessons learnt

	Challengers	Strategies used to Overcome
1	Land issues in generation and transmission projects	
	Delay in the acquisition of land	Appointment of a land task force under the Ministry to obtain the assistance of the Ministry of Land
	Difficult to resettle people due to insufficient compensation payment	Proposed to gazette the projects that are needed compensation payment under LARC and Super LARC, so that the compensation payment is more attractive
	Charging a Royalty by the Mahaweli lands /water bodies identified for power projects	Discussions held with the Ministry of Irrigation and arrive at amicable solutions

2	Financial Constraints of the CEB and the requirement of substantial Investment required for the Power Generation and Transmission projects	Instead of obtaining loans, to promote investments where possible (attract investors for the generation projects and seek bilateral and multilateral funds for the construction of transmission and distribution lines where investors cannot be attracted)
3	Minimize the cost of power in order to maintain the international competitiveness of the industrial production process	Diversification of Energy mix by scaling up of Renewable Energy, introducing LNG, developing Coal. Reduce transmission and distribution losses by strengthening Transmission Network. Timely implementation of generation projects
4	Issues related to the implementation of Renewable Energy projects	
	The complicated approval process, with so many approvals needed (CEA, Forest Dept, Wildlife Dept, Coast Conservation Dept, MASL, GSMB, NBRO, Agrarian Services, Land Commissioner, Irrigation Dept) Although the Project Approving Committee under the SEA was established, it does not resolve the issue	Give a limited time to every organization to respond to the requests and, close monitoring. For large RE projects (mainly for RE Parks and floating solar projects) the State Ministry to get the sites clear with all necessary approvals and prepare the land/ water body for the bidders to come in. (To include a condition in the bid document that, whatever the fee has to be borne by obtaining such approvals to be borne by the selected bidder)
	Slow moving of RE Projects	CEB to publish grid availability regularly.
	Reduce intermittence nature of solar power generation	Introduce battery- Started a pilot project with SL Nano Technology Institute and LECO to produce affordable prices producing batteries
	Scarcity of lands for RE projects	Requested Irrigation, Mahaweli Authorities to identify bear lands and water bodies (reduce evaporation, lower algae formation etc) suitable for RE development and inform us so that the approvals can be obtained for the entire land/ water body, by SEA

2.3 Future Plans

- Achieving the maximum possible Renewable Energy contribution to the Energy Mix and promote environmentally friendly clean energy sources.
- 100% electrification in the country and maintain the level.
- Convert the power system of the country to a Smart Grid by encouraging the manufacturing of electrical equipment locally.
- Development of Renewable Energy storage Facilities.
- Improve the reliability and efficiency of the Transmission Distribution Network.
- Reduce Technical and Commercial losses of the system.

Chapter 03

Overall Financial Performance 2020



Statement of Financial Performance
for the period ended 31st December 2020

Rs.

Budget 2020	Note	Actual			
		2020	2019		
-	Revenue Receipts	-	-		
-	Income Tax	1	-	} ACA-1	
-	Taxes on Domestic Goods & Services	2	-		
-	Taxes on International Trade	3	-		
-	Non Tax Revenue & Others	4	-		
-	Total Revenue Receipts (A)		-		
-	Non Revenue Receipts		-		
	Treasury Imprests		214,176,985	346,945,171	ACA-3
-	Deposits		1,609,315	4,128,743	ACA-4
-	Advance Accounts		8,465,178	6,052,443	ACA-5
-	Other Receipts		73,502,415	5,007,411	
-	Total Non Revenue Receipts (B)		297,753,892	362,133,768	
-	Total Revenue Receipts & Non Revenue Receipts C = (A)+(B)		297,753,892	362,133,768	
	Less: Expenditure				
	Recurrent Expenditure				
89,030,000	Wages, Salaries & Other Employment Benefits	5	81,099,519	94,672,903	} ACA-2(ii)
94,340,000	Other Goods & Services	6	76,613,723	152,175,642	
34,040,000	Subsidies, Grants and Transfers	7	12,992,632	263,481,114	
-	Interest Payments	8	-	-	
25,000	Other Recurrent Expenditure	9	-	-	
217,435,000	Total Recurrent Expenditure (D)		170,705,874	510,329,659	

MINISTRY OF POWER

	Capital Expenditure				
400,000	Rehabilitation & Improvement of Capital Assets	10	398,072	-	} ACA-2(ii)
950,000	Acquisition of Capital Assets	11	562,196	4,713,825	
57,905,000,000	Capital Transfers	12	57,903,456,649	138,130,800	
-	Acquisition of Financial Assets	13	-	-	
685,000	Capacity Building	14	575,000	635,565	
<u>153,715,000</u>	Other Capital Expenditure	15	<u>3,710,055</u>	<u>109,544,259</u>	
<u>58,060,750,000</u>	Total Capital Expenditure (E)		<u>57,908,701,973</u>	<u>253,024,449</u>	
	Main Ledger Expenditure (F)		7,528,337	10,638,601	} ACA-4 ACA-5
	Deposit Payments		2,522,087	3,216,255	
	Advance Payments		5,006,250	7,422,346	
	Total Expenditure G = (D+E+F)		58,086,936,183	773,992,709	
<u>-</u>	Imprest Balance as at 31st December..... H = (C-G)		<u>(57,789,182,291)</u>	<u>(411,858,941)</u>	

Statement of Cash Flows
for the Period ended 31st December 2020

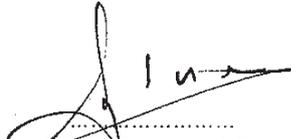
	Actual	
	2020 Rs.	2019 Rs.
<u>Cash Flows from Operating Activities</u>		
Total Tax Receipts	-	99,206
Fees, Fines, Penalties and Licenses	-	930,459
Profit	-	-
Non Revenue Receipts	271,106	1,725,807
Revenue Collected for the Other Heads	84,869	-
Imprest Received	214,176,985	333,637,194
Total Cash generated from Operations (a)	214,532,960	336,392,666
<u>Less - Cash disbursed for:</u>		
Personal Emoluments & Operating Payments	150,891,122	234,943,677
Subsidies & Transfer Payments	13,369,188	34,935,198
Expenditure on Other Heads	17,905,765	119,667
Imprest Settlement to Treasury	5,577,197	20,920
Imprest to the Petroleum Resources Development	17,299,470	-
Total Cash disbursed for Operations (b)	205,042,742	270,019,462
NET CASH FLOW FROM OPERATING ACTIVITIES (C)=(a)-(b)	9,490,218	66,373,204
<u>Cash Flows from Investing Activities</u>		
Interest	-	2,622
Dividends	-	-
Divestiture Proceeds & Sale of Physical Assets	-	255,069
Recoveries from On Lending	-	-
Recoveries from Advance	626,863	264,759
Total Cash generated from Investing Activities (d)	626,863	522,450
<u>Less - Cash disbursed for:</u>		
Purchase or Construction of Physical Assets & Acquisition of	5,245,323	61,093,054

Other Investment		
Advance Payments	3,427,350	6,219,485
Advance Payments on behalf of officials of the State Ministry of Solar, Wind and Hydro Power Generation	492,500	-
Total Cash disbursed for Investing Activities (e)	9,165,173	67,312,539
NET CASH FLOW FROM INVESTING ACTIVITIES(F)=(d)-(e)	(8,538,310)	(66,790,089)
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (g)=(c) + (f)	951,907	(416,885)
<u>Cash Flows from Financing Activities</u>		
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Deposit Received	1,565,680	3,563,092
Total Cash generated from Financing Activities (h)	1,565,680	3,563,092
<u>Less - Cash disbursed for:</u>		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Deposit Payments	2,517,587	3,146,206
Total Cash disbursed for Financing Activities (i)	2,517,587	3,146,206
NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(h)-(i)	(951,907)	416,885
Net Movement in Cash (k) = (g) -(j)	(0.00)	-
Opening Cash Balance as at 01st January	-	-
Closing Cash Balance as at 31st December	(0.00)	-

Statement of Financial Position
As at 31st December 2020

	Note	Actual	
		2020 Rs	2019 Rs
<u>Non Financial Assets</u>			
Property, Plant & Equipment	ACA-6	299,092,718	302,519,501
<u>Financial Assets</u>			
Advance Accounts	ACA-5/5(a)	15,168,340	23,728,660
Cash & Cash Equivalents	ACA-3	-	271,106
Total Assets		314,261,058	326,519,267
<u>Net Assets / Equity</u>			
Net Worth to Treasury		9,995,686	12,541,842
Property, Plant & Equipment Reserve		299,092,718	302,519,501
Rent and Work Advance Reserve	ACA-5(b)	5,101,392	10,202,784
<u>Current Liabilities</u>			
Deposits Accounts	ACA-4	71,262	984,034
Imprest Balance	ACA-3	-	271,106
Total Liabilities		314,261,058	326,519,267

Detail Accounting Statements in ACA format Nos. 1 to 6 presented in pages from 06 to 52 and Notes to accounts presented in pages from 53 to 69 form and integral parts of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found to in agreement.



Chief Accounting Officer
Name :
Designation :
Date : 22/02/2021

Wasantha Perera
Secretary,
Ministry of Power
No. 437, Galle Road,
Colombo 03.

Accounting Officer
Name :
Designation :
Date :



Chief Financial Officer/ Chief Accountant/
Director (Finance)/ Commissioner (Finance)
Name :
Date : 22/02/2021

S.K. Malavisooriya
Chief Financial Officer
Ministry of Power
No. 437, Galle Road,
Colombo 03.

Performance of the Revenue Collection

Revenue Code	Description of the Revenue Code	Revenue Estimate		Collected Revenue	
		Original	Revised	Amount (Rs.)	as a % of Revised Revenue Estimate
Not relevant					

Performance of the Utilization of Allocation

Type of Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Revised Allocation
	Original	Revised		
Recurrent	217,435,000	217,235,000	170,705,874	78.6%
Capital	58,060,750,000	58,060,950,000	57,908,701,973	99.7%

In terms of F.R.208 grant of allocations for expenditure to this Department/District Secretariat/ Provincial Council as an agent of the other Ministries/ Departments

S N	Allocation Received from Which Ministry /Department	Purpose of the Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
			Original	Final		
1	Department of Railways, Sri Lanka	For free warrants issued on behalf of the officers of the Ministry	21,600	21,600	21,600	100%
2	Department of Treasury Operations	Accounts Foreign Loans by CEB	57,905,000,000	57,905,000,000	57,905,000,000	100%

Performance of the Reporting of Non-Financial Assets

Assets Code	Code Description	Balance as per Board of Survey Report as at 31.12.2020	Balance as per financial Position Report as at 31.12.2020	Yet to be Accounted	Reporting Progress as a %
9151	Building and Structures	-	-	-	-
9152	Machinery and Equipment	299,092,718	299,092,718	-	100
9153	Land	-	-	-	-
9154	Intangible Assets	-	-	-	-
9155	Biological Assets	-	-	-	-
9160	Work in Progress	-	-	-	-
9180	Lease Assets	-	-	-	-

Auditor General's Report

Auditor General's Report for the year 2020 is attached at the end of the report

Chapter 04

Performance indicators



4.1 Performance indicators of the Institute

Specific Indicators	Actual output as a percentage (%) of the expected output*		
	100% - 90%	75% - 89%	50% - 74%
Electrification rate of the country	99.9%		
Total Installed capacity of the National Grid	96%		
Share of Renewable Energy in the total Generation Mix		87%	
Length of High Voltage Transmission Network		75%	
Performance indicators of the Institute (based on the Action Plan)			
Activities	Actual output as a percentage (%) of the expected output		
	100% - 90%	75% - 89%	50% - 74%
Preparation of Annual Action Plan 2020	100%		
Monitoring the progress of development projects		75%	
Provision of facilities for the environmental issues of development projects		85%	
Provision of information for the requests made under Right to Information Act (RTI)	100%		
Maintaining Ministry website and carry out activities related to information technology		80%	
Development of new website			20%
Facilitation of Soorya Bala Sangramaya Programme (Stage Two)	90%		
Facilitation of Asian Development Bank, World Bank, France Development Agency funded projects		75%	
Facilitation to develop the renewable energy.	95%		
Submission of recommendations to exempt tax for renewable energy projects which have already been signed approved power purchasing agreements.	100%		
Implementation of climate change programme			60%
Coordination with “Rural Infrastructure Development Subcommittee ” (A National Programme)	95%		
No. of vehicle permits issued under the scheme of issuing vehicle permits to import vehicles on concessionary rates.	100%		
No. of answers sent for the parliament questions which received during the year under review.	100%		
No. of personal files updated in the year under review.	100%		
A Cabinet Memorandum submitted to consideration of the Cabinet of Ministers on Present Power Situation and proposed measures to be taken to avert a future power shortage in the Country and proceeded with the directions of the Cabinet of Ministers.	100%		

Obtaining Cabinet approval for the Cabinet Memorandum to provide preference to local manufactures when procuring the Cables and Conductors for the Ceylon Electricity Board and its subsidiaries.	100%		
In order to obtain continues fuel supply for the thermal Power Generation Plants belongs to the Ceylon Electricity Board and Private Sector (IPP), a Cabinet Memorandum submitted and proceeded as directed by the Cabinet of Ministers.	100%		
In order to notify the Cabinet of Ministers on Island wide power failure on 17th August 2020, a Cabinet Memorandum submitted and action taken as directed by the Cabinet of Ministers.	100%		
A Cabinet Memorandum submitted on electricity supply connection to low income families as a matter of priority considering the Covid – 19 pandemic and action taken in accordance with the directives of the Cabinet of Ministers.		75%	
Number of Power Plants have been granted Hon. Minister’s concurrence for issuing Generation Licenses by Public Utilities Commission of Sri Lanka.	90%		
Number of Public Complaints have been resolved.		88%	
Preparation of risk based annual Internal Audit Plan	100%		
Preparation of Internal Audit Plan for the year	100%		
Preparation of basic internal audit report	100%		
No. of internal audit queries issued during the year.		82%	
No. of special reports issued during the year	100%		
No. of quarterly Assessment reports submitted to the Management Audit Department during the year.	100%		
Number of replies submitted to the Auditor General on time	100%		
No. of Audit and Management Committee Meetings held during the year.	100%		

- *Expected outputs according to the Long Term generation Expansion Plan 2020-2039 (Updated Draft)*

Chapter 05

Performance of the achieving Sustainable Development Goals (SDG)



5.1 Identified respective Sustainable Development Goals

Goal/Objective	Targets	Indication of the achievement	Progress of the Achievement to date		
			0%-49%	50%-74%	75%-100%
Ensure access to affordable, reliable, sustainable and modern energy for all	Improvement of the distribution network for 100% domestic electrification level and high-quality power supply	Electrification level of the country			99.9%
	Increase the share of Renewable Energy in the total generation mix to 50% by 2030.	Percentage of Renewable energy generation in the total energy mix		70%	
	Increase the contribution of renewable energy in the electricity generation by enhancing rooftop solar power development	Connect 200 MW of rooftop solar power capacity to the national grid by 2020			100%
	Energy saving through efficient energy use (Shakthi LED Lamp Programme)	432 GWh energy saving by 2022	10%		
	Published National Energy Policy & Strategies	Completed the National Energy Policy and Strategies in Sri Lanka in 2019			100%
	Achieving 70% of the country's electricity demand from environmentally friendly clean energy sources including renewable energy.	20% of the electricity from the total energy mix is generated by LNG as a clean energy source	10%		

5.2 Achievements and challengers of the sustainable development goals

Achievements

1. Increase the level of electrification up to 99.9%
2. Maintaining the attractive share of renewable energy in electricity generation

Year	Share of Renewable Energy
2019	35%
2020	35%

3. Launched Soorya Bala Sangramaya programme
337 MW capacity of solar rooftop systems by 30,149 consumers have added to the generating system through the “Soorya Bala Sangramaya” programme as of December 2020
4. Commission of 100MW Wind Power Farm in Mannar as “Thambapawani” –Sri Lanka’s first Mega scale Wind Park
5. Construction of 31MW Moragolla Hydropower Project
Construction works are ongoing and power generation of the hydropower plant is expected to be commenced by November 2023.
6. 240 MW Wind and 150 MW Solar Power Hybrid Energy Park in Pooneryn
Ministry has planned to develop 100 MW wind as the first phase of the project. Land acquisition and Social and Environmental Impact Assessment and Geotechnical surveys are expected to be commenced.

Challenges

1. Technical Challenges in terms of the inadequacy of ancillary systems to support the grid in Renewable Energy integration.
2. Renewable Energy is on Demand, which requires storage solutions, Cost - effective batteries, pump hydro solutions.
3. High Cost of the renewable energy technologies and hence require large volume of investments for renewable energy developments.
4. Climate Change
 - Irregularly in the weather is almost affect the hydropower generation, biomass production and Agro residue generation.
5. Social Issues in renewable energy generation.
 - Conflicts with wildlife and forest.
 - Conflicts with villagers.

NDC (Nationally Determined Contributions) targets pose formidable commitment by 2030

- 4% Voluntary Action – unconditional – to reduce environmental carbon dioxide
- 16% Supported Action - to reduce environmental carbon dioxide under the situation of International participation.

Chapter 06

Human Resource Profile



6.1 Cadre Management

	Approved Cadre	Existing Cadre	Vacancies / (Excess)**
Senior	21	15	06
Tertiary	04	-	04
Secondary	49	48	01
Primary	26	26	-
Temporary	04	03	01

** Including 07 Graduate Trainees

6.2 How the shortage or excess in human resources has been affected to the performance of the institute.

Duties of one senior level position, one tertiary position and one post of secondary level position are covered by the officers of the Ministry to avoid affecting shortage of human resource on the performance of the Ministry. Further, measures are taken to update the database frequently with relevant information of the approved cadre of the Ministry and to fill the vacancies.

6.3 Capacity Development of the Staff

Name of the Program	No. of staff trained	Duration of the program	Total Investment (Rs 000)		Nature of the Program (Abroad /Local)	Output/Knowledge Gained*
			Local	Foreign		
Public Procurement Procedures	01	02 day	8,500-	-	Local	Knowledge on the subject of procurement, objectives, related laws and procurement process
Maintenances of Personal Files	01	02 days	8,500	-	Local	Correct maintenance of Personal files and mandatory information to include
Higher National Diploma in Public Procurement and Contract Administration	01	48 day	120,000	-	Local	Comprehensive knowledge on Public Procurement procedures and contract administration
Government Payroll Systems	01	03 days	18,000	-	Local	Knowledge on the Preparation of Salary Sheets
Training Programme for Public sector officials on Establishment Code	01	02 days	-	-	Local	Knowledge on Establishment Code
Certification on Public Procurement Management	04	05 day	116,000	-	Local	Knowledge on the subject of procurement, objectives, related laws and procurement process
Diploma in English for Junior Executives (Level 01)	03	12 days	75,000	-	Local	Knowledge on English Language
Diploma in English for Junior Executives (Level 02)	02	12 days	50,000	-	Local	Knowledge on English Language

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Diploma in English for Junior Executives (First Phase)	01	48 days	33,500	-	Local	Knowledge on English Language
Conference on enhancing energy corporation in the BIMSTEC region	02	02 days		\$ 120	Foreign	Raise awareness on regional energy cooperation and cross boarder energy trade in the region
World Utility Summit 2020	02	02 days		\$ 375	Foreign	Enhance the knowledge on challengers and priority of power distribution in South Asia

Chapter 07

Compliance Report



No.	Applicable Requirement	Compliance Status (Complied/ Not complied)	Brief explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance in future
1.	The following Financial statements/accounts have been submitted on due date			
1.1	Annual financial statements	Complied		
1.2	Advance to public officers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)	Not relevant		
1.4	Stores Advance Accounts			
1.5	Special Advance Accounts			
1.6	Others			
2	Maintenance of books and registers (FR445)			
2.1	Fixed assets register has been maintained and update in terms of Public Administration Circular 267/2018	Complied		
2.2	Personal emoluments register/ Personal emoluments cards has been maintained and update	Complied		
2.3	Register of Audit queries has been maintained and update	Complied		
2.4	Register of Internal Audit queries has been maintained and update	Complied		
2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date	Complied		
2.6	Register for cheques and money orders has been maintained and update	Complied		
2.7	Inventory register has been maintained and update	Complied		
2.8	Stocks Register has been maintained and update	Complied		
2.9	Register of Losses has been maintained and update	Complied		
2.10	Commitment Register has been maintained and update	Complied		

2.11	Register of Counterfoil Books (GA – N20) has been maintained and update	Complied		
03	Delegation of functions for financial control (FR 135)			
3.1	The financial authority has been delegated within the institute	Complied		
3.2	The delegation of financial authority has been communicated within the institute	Complied		
3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers	Complied		
3.4	The controls has been adhered to by the Accountants in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package	Complied		
4	Preparation of Annual Plans			
4.1	The annual action plan has been prepared	Complied		
4.2	The annual procurement plan has been prepared	Complied		
4.3	The annual internal audit plan has been prepared	Complied		
4.4	The annual estimate has been prepared and submitted to the NBD on due date	Complied		
4.5	The annual cash flow has been submitted to the Treasury Operations Department on time	Complied		
5	Audit queries			
5.1	All the audit queries has been replied within the specified time by the Auditor General	Complied		
6.	Internal Audit			



6.1	The internal audit programme has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134(2) DMA/1-2019	Complied		
6.2	All the internal audit reports has been replied within one month	Not Complied	Some internal audit queries have not ben answered within month	<ul style="list-style-type: none"> • discuss at Audit & Management Committee Meetings of the Ministry • follow up on answers to internal audit queries.
6.3	Copies of all the internal audit reports has been submitted to the Management Audit Department in terms of Sub-section 40(14) of the National Audit Act No. 19 of 2018	Complied		
6.4	All the copies of internal audit reports has been submitted to the Auditor General in terms of Financial Regulation 134(3)	Complied		
7	Audit and Management Committee			
7.1	Minimum 04 meetings of the Audit and Management Committee has been held during the year as per the DMA circular 1/2019	Complied		
8	Asset Management			
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's Office in terms of Paragraph 07 of the Asset Management Circular No. 01/2017	Complied		
8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of the circular and the details of the nominated officer was sent to the	Complied		

	Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular			
8.3	The boards of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of Public Finance Circular No. 05/2016	Complied		
8.4	The excesses and deficits that were disclosed through the board of survey and other relating recommendations, actions were carried out during the period specified in the circular	Complied		
8.5	The disposal of condemn articles had been carried out in terms of FR 772	Complied		
9	Vehicle Management			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on due date	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	Complied		
9.3	The vehicle logbooks had been maintained and updated	Complied		
9.4	The action has been taken in terms of F.R. 103, 104, 109 and 110 with regard to every vehicle accident	Complied		
9.5	The fuel consumption of vehicles has been re-tested in terms of the provisions of Paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	Complied		
9.6	The absolute ownership of the leased vehicle log books has been transferred after the lease term	Complied		
10	Management of Bank Accounts			
10.1	The bank reconciliation statements had been prepared, got certified and	Complied		

	made ready for audit by the due date			
10.2	The dormant accounts that had existed in the year under review or since previous years settled	Complied		
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and had those balances been settled within one month	Complied		
11	Utilization of Provisions			
11.1	The provisions allocated had been spent without exceeding the limit	Complied		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 94(1)	Complied		
12	Advances to Public Officers Account			
12.1	The limits had been complied with	Complied		
12.2	A time analysis had been carried out on the loans in arrears	Complied		
12.3	The loan balances in arrears for over one year had been settled	Complied		
13	General Deposit Account			
13.1	The action had been taken as per F.R.571 in relation to disposal of lapsed deposits	Complied		
13.2	The control register for general deposits had been updated and maintained	-		
14	Imprest Account			
14.1	The balance in the cash book at the end of the year under review remitted to TOD	Complied		
14.2	The ad-hoc sub imprests issued as per F.R. 371 settled within one month from the completion of the task	Complied		

14.3	The ad-hoc sub imprests had been issued exceeding the limit approved as per F.R. 371	Complied		
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly	Complied		
15	Revenue Account			
15.1	The refunds from the revenue had been made in terms of the regulations	Not relevant		
15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account	Not relevant		
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176	Not relevant		
16	Human Resource Management			
16.1	The staff had been paid within the approved cadre	Complied		
16.2	All members of the staff have been issued a duty list in writing	Complied		
16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017	Complied		
17	Provision of information to the public			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right To Information Act and Regulation	Complied		
17.2	Information about the institution to the public have been provided by Website or alternative measures and has it been facilitated to appreciate / allegation to public against the public authority by this website or alternative measures	Complied		



17.3	Bi- Annual and Annual reports have been submitted as per section 08 and 10 of the RTI Act	Complied		
18	Implementing citizens charter			
18.1	A citizens charter/ Citizens client's charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 and 05/2018(1) of Ministry of Public Administration and Management	Not Complied	This Ministry has not prepared a citizen / client charter	Actions are being taken to prepare a citizen / client charter for the Ministry in accordance with the Public Administration and Management Ministry Circulars No. 05/2008 and 05/2018(1) .
18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Citizens Charter / Citizens client's charter as per paragraph 2.3 of the circular	Complied	A senior Officer has been appointed for formulation of the Citizens Charter / Citizens client's charter	
19	Preparation of the Human Resource Plan			
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No.02/2018 dated 24.01.2018.	Complied		
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan	Not Complied	Ministry has not prepared a human resource plan	
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular	Not Complied	Ministry has not prepared a human resource plan	

19.4	A senior officer was appointed and assigned the responsibility of preparing the human resource development plan, organizing capacity building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular	Complied		
20	Responses Audit Paras			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified	Not Complied Only on certain audit paragraphs	Information should be obtained from relevant divisions	