

 Early Warning System

ADB-49216-001

Supporting Electricity Supply Reliability Improvement



Quick Facts

Countries	Sri Lanka
Financial Institutions	Asian Development Bank (ADB)
Status	Canceled
Bank Risk Rating	U
Voting Date	2015-09-14
Sectors	Climate and Environment
Investment Type(s)	Grant
Investment Amount (USD)	\$ 0.22 million



Project Description

DESCRIPTION

The Sri Lanka Government's sector development framework envisions sustainable development of energy resources, enabling access to and use of energy services by the entire population, and reliable delivery of such services at a competitive price. To increase access to electricity and achieve the goal of meeting the growing demand for electricity at sufficiently low cost and acceptable reliability to widen access to growth opportunities and attain sustainability in the long term, the government plans to increase supply capacity of the system including through raising share of renewable energy sources (e.g., hydro, wind, solar, etc.), reducing total technical and commercial losses of the transmission and distribution networks, and undertaking energy efficiency and conservation measures. To address investment needs in support of these plans, a project preparatory technical assistance (TA) is needed to prepare a relevant investment project for consideration by the Asian Development Bank (ADB).

PROJECT RATIONALE AND LINKAGE TO COUNTRY/REGIONAL STRATEGY

In recent years, Sri Lanka has improved its energy sector and achieved a national electrification ratio of 98% (2015) compared with 29% in 1990. The remaining 2% of electrification is the most difficult to accomplish and is mainly in underdeveloped areas and small isolated islands around the country. Although some of the provinces have achieved 100% electrification, the conflict affected Northern and Eastern provinces have only 92% and 94% electrification, and Uva and North Central provinces achieved 95% with several districts falling well behind this level. Further improvement of 33 kilovolt (kV) medium voltage network is needed to ensure system reliability and expand power supply into rural areas, where many of the poor households remain unconnected or have poor quality of electricity supply. There are several small isolated islands with population ranging from 1,250 to 4,540 people that cannot be provided with electricity through extension of the grid. These are currently supplied by expensive electricity generated by inefficient, old diesel generation sets that provide electricity for limited hours during the day with electrification ratio ranging from 0% (on one island) to 74%.

The Government of Sri Lanka aims to ensure sustainable development of energy resources by improving the power supply systems to guarantee that the entire population has access to electricity services. Sri Lanka has a national investment program including sector investments that are based on a National Energy Policy and Strategies (NEPS). The NEPS includes a sector roadmap, a long-term investment program, and appropriate policy and reform measures. The country's current installed generation capacity is 3,932 megawatt (MW) that produces 12,357 gigawatt-hours (GWh) of electricity (2014). The maximum demand is 2,152 MW (2014). There is sufficient generation capacity to expand electricity supply further. The government intends to provide electricity to the population through the grid in the main island and mini-grid systems on small isolated islands. The project will contribute to the government's goal of expanding access to electricity and developing clean energy.

The project will directly benefit the development of lagging areas. The project will cover 116 rural electrification schemes and 2,150 kilometers (km) of low voltage line extensions. Innovative hybrid mini-grids, consisting of wind-solar and efficient diesel generation systems coupled with energy storage (lithium-ion batteries), will be implemented on the small isolated islands. As a result, the project will help to ensure inclusiveness and access to electricity by all population. In total, it is expected that the project will provide electricity to about 17,500 rural households, including the conflict affected Northern and Eastern provinces as well as Uva and North Central provinces where the current electrification level is lower than in other parts of the country. The project is consistent with the Asian Development Bank (ADB) interim country partnership strategy for Sri Lanka. It has strong grounds on previous ADB interventions focused on supporting transmission and distribution investments to expand access to clean and reliable electricity, and renewable energy development.

CONSULTING SERVICES

It is envisioned to engage 2 international individual consultants for a total of 4 person months and 6 national individual



Investment Description

- Asian Development Bank (ADB)

TA 8952-SRI: Supporting Electricity Supply Reliability Improvement
Technical Assistance Special Fund US\$ 225,000.00



Contact Information

ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: <http://www.adb.org/site/accountability-mechanism/main>

CONTACTS

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Bank Documents

- [Project Disclosure PDF](#)
- [Supporting Electricity Supply Reliability Improvement: Initial Environmental Examination](#) [Original Source]
- [Supporting Electricity Supply Reliability Improvement: Initial Poverty and Social Analysis](#) [Original Source]
- [Supporting Electricity Supply Reliability Improvement: Project Data Sheet \(Sinhala Translation\)](#) [Original Source]
- [Supporting Electricity Supply Reliability Improvement: Project Data Sheet \(Tamil Translation\)](#) [Original Source]
- [Supporting Electricity Supply Reliability Improvement: Project Preparatory Technical Assistance Repo](#) [Original Source]
- [Supporting Electricity Supply Reliability Improvement: Resettlement Plan](#) [Original Source]
- [Supporting Electricity Supply Reliability Improvement: Resettlement Plan](#) [Original Source]