



**PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA**

SRI LANKA ELECTRICITY (AMENDMENT)

**A
BILL**

to amend the Sri Lanka Electricity Act, No. 20 of 2009

*Presented by the Minister of Power and Renewable Energy
on 05th of September, 2018*

(Published in the Gazette on August 20, 2018)

Ordered by Parliament to be printed

[Bill No. 265]

PRINTED AT THE DEPARTMENT OF GOVERNMENT PRINTING, SRI LANKA
TO BE PURCHASED AT THE GOVERNMENT PUBLICATIONS BUREAU, COLOMBO 5

Price : Rs. 12.00

Postage : Rs. 15.00

This Bill can be downloaded from www.documents.gov.lk



STATEMENT OF LEGAL EFFECT

Clause 2: This clause amends section 28 of the Sri Lanka Electricity Act, No. 20 of 2009 (hereinafter referred to as the “principal enactment”) by the repeal of subsection (3) thereof and the legal effect of the section as amended is to remove the liability of the distribution licensee to pay interest on a security provided by a person who requires electricity supply.

Clause 3: This clause amends section 43 of the principal enactment in subsections (4), (6) and (8) of that section and the legal effect of the section as amended is–

- (a) to extend the application of the exemptions granted under paragraph (b) of the proviso to subsection (4), to new generation plants or existing generation plants generating electricity through non-conventional renewable energy sources for which non-conventional energy resource maps are not available and be operated at the Standardized Tariff approved by the Cabinet of Ministers;
- (b) to make consequential amendments to subsection (6), by replacing that subsection;
- (c) to replace the definition of the expression “Standardized Power Purchase Agreement with a new definition and to include the definition of the expression “Standardized Tariff”.

Sri Lanka Electricity (Amendment)

L.D.—O. 19/2014

AN ACT TO AMEND THE SRI LANKA ELECTRICITY
ACT, No. 20 OF 2009

BE it enacted by the Parliament of the Democratic Socialist
Republic of Sri Lanka as follows:-

1. This Act may be cited as the Sri Lanka Electricity (Amendment) Act, No. of 2018. Short title.

5 **2.** Section 28 of the Sri Lanka Electricity Act, No. 20 of 2009 (hereinafter referred to as the “principal enactment”) is hereby amended by the repeal of subsection (3) of that section. Amendment of Section 28 of Act, No. 20 of 2009.

10 **3.** Section 43 of the principal enactment is hereby amended as follows:- Amendment of Section 43 of the principal enactment.

(1) in subsection (4) -

15 (a) in the proviso to paragraph (a) thereof, by the substitution for the words “to be operated at least cost;” of the words “to be operated at least cost; or”;

(b) by the repeal of paragraph (b) thereof and the substitution therefor of the following:—

20 “(b) on a permit issued by the Sri Lanka Sustainable Energy Authority established by the Sri Lanka Sustainable Energy Authority Act, No. 35 of 2007 under section 18 of that Act for the generation of electricity through non-conventional renewable energy sources, for which no open bidding process is possible due to non-availability of non-conventional renewable energy resource maps and to

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be operated at the Standardized Tariff approved by the Cabinet of Ministers and governed by a Standardized Power Purchase Agreement; or”;

5 (2) by the repeal of subsection (6) thereof and the substitution therefor of the following:—

“(6) Notwithstanding an exemption granted to any person, from the submission of a tender-

10 (a) under paragraph (b) of the proviso to subsection (4), the transmission licensee shall satisfy itself, that such person is capable of developing the new generation plant or expansion of the generating capacity of an existing generation plant, in compliance with the technical and economical parameters of the transmission licensee and is capable of selling electrical energy or electricity generating capacity generated using a non – conventional renewable energy source, at the standardized tariff approved by the Cabinet of Ministers, in compliance with the terms and conditions of a Standardized Power Purchase Agreement; or

30 (b) under paragraph (a) or (c) of the proviso to subsection (4), the transmission licensee shall negotiate with the person concerned and satisfy itself, that such person is capable of developing the new generation

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5 plant or the expansion of the
generating capacity of an existing
generation plant, in compliance
with the technical and economical
parameters of the transmission
licensee and is capable of selling
electrical energy or electricity
generating capacity at least cost
and shall forward its
10 recommendations for approval to
the Cabinet of Ministers after
obtaining the recommendations of
the Commission, along with the
draft Power Purchase Agreement
describing the terms and conditions
15 of such purchase.” ;

(3) in subsection (8) thereof –

20 (a) by the repeal of the definition of the
expression “Standardized Power Purchase
Agreement” and the substitution therefor of
the following:-

25 “Standardized Power Purchase Agreement”
means an agreement entered into by
the transmission licensee for the
purchase of electrical energy from a
power plant generating electricity of
10 MW or less than that in capacity,
authorized by a permit issued by the
Sri Lanka Sustainable Energy
30 Authority under section 18 of the Sri
Lanka Sustainable Energy Authority
Act, No.35 of 2007, using non-
conventional renewable energy
resources for which open bidding
35 process is not possible due to non-
availability of non-conventional
renewable energy resource maps;”;
and

(b) by the addition immediately after the definition of the expression “Standardized Power Purchase Agreement” of the following definition:-

5 “Standardized Tariff” means the price
payable by the transmission licensee
to purchase electrical energy from a
power plant generating electricity of
10 MW or less than that in capacity,
10 authorized by a permit issued by the
Sri Lanka Sustainable Energy
Authority, under section 18 of the Sri
Lanka Sustainable Energy Authority
Act, No.35 of 2007, through the non-
15 conventional renewable energy
sources, for which open bidding process
is not possible due to non-availability
of non-conventional renewable energy
resource maps and recommended by
20 the non-conventional renewable energy
purchase price determination
Committee while taking into
consideration, the financial viability
and affordability of the transmission
25 licensee and the consumers, approved
by the Cabinet of Ministers.”.

4. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. Sinhala text to prevail in case of inconsistency.

