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REGIONAL CONFERENCE

INCLUSIVE ENERGY TRANSITION IN SOUTH ASIA AND BEYOND

7–9 MAY 2024 • Galle, Sri Lanka



“How Equitable is Energy Transition”



May 2024

ADB



Power Sector Data for Analysis

Total Number of Consumers: 6.93 million (2022)

Consumers (> 30 units) : 1.2 million

Per Capita Consumption : 687 Kwh (2021)

Per Capita Consumption : 655 Kwh (2022)

**World :
India : 1,300 Kwh**

expect reduction (2023)

**Economic
Development**

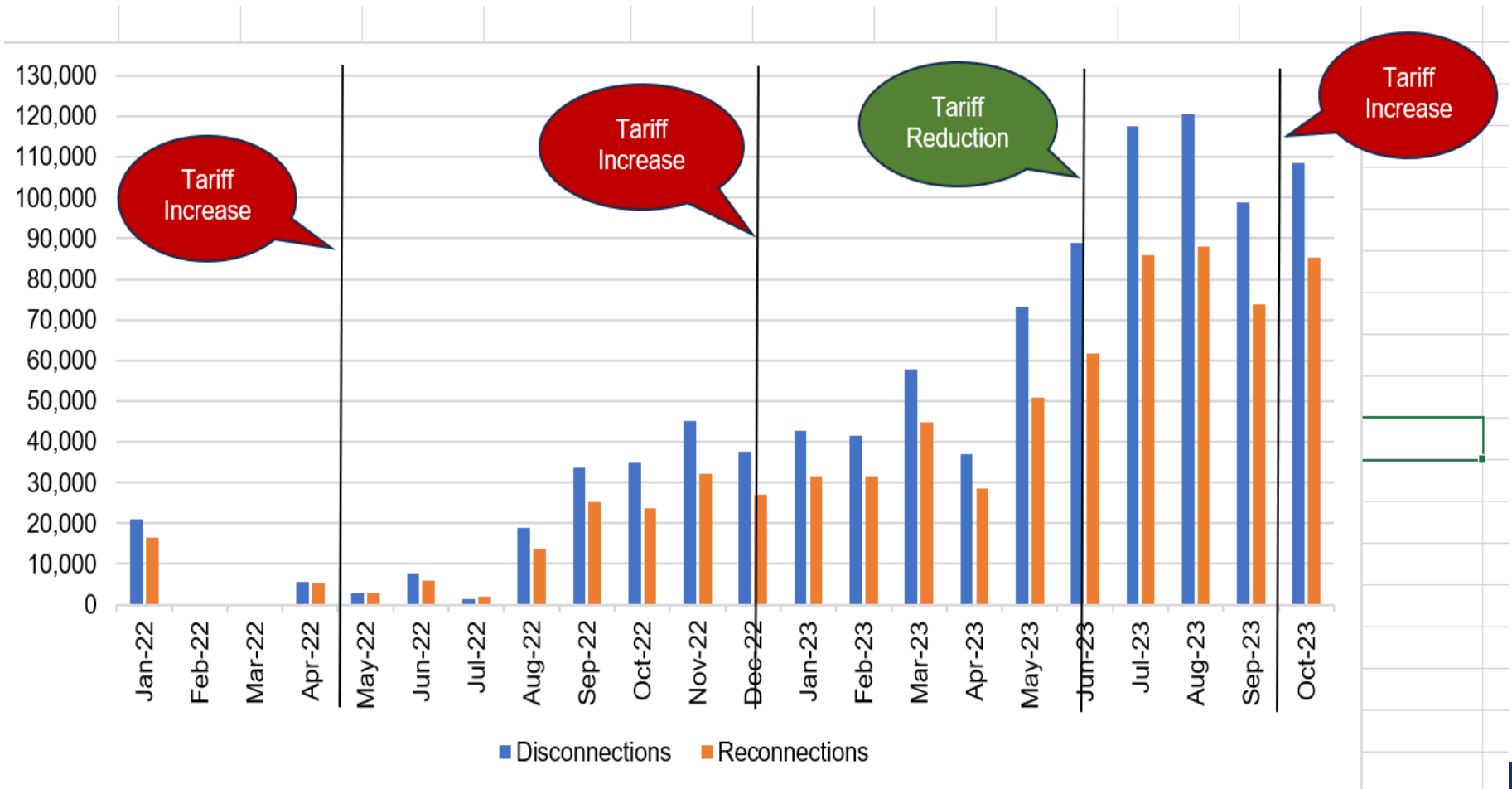


**Productive
use of Energy**



Electricity Disconnections Rates

(Triggered by Economic Crisis and Tariff Increase)



Sri Lanka follows a Tiered Tariff where low energy users have the minimum tariff.



Electricity Disconnections Rates

Disconnection Rates:

Data period	Rates
Jan – Oct 2022	165,000
Jan – Oct 2023	790,000
Q1 2024	Crossed 1.1 Million

480%

About 20% of consumers in SL

Reconnection rates:

Remain disconnected	Rates
By end of 2022	51,000
By end of Oct 2023	210,000
By end of Q1 2024	350,000

* **LECO data** is not included , probably an addition of 8% (which is approximately LECO's share of consumers)



“Cost of Generation in SL”

Rooftop Solar:

- Feed-in tariff : **37 LKR (12 cents)**
- Largest Capacity RE installed in Sri Lanka (**about 1GW**)
- Support RE targets of the country

Costs 2023 Submitted by CEB, Published by PUCSL

Summary of costs for 2023				
	Rs/kWh sold			
	Variable	Fixed:Capacity	Fixed: other	Total
Generation Energy	32.00			
Generation Capacity		4.00		
Transmission capacity		2.00		
Distribution capacity		5.00		
Corporate costs			1.00	
Finance costs			4.00	
Total	32.00	11.00	5.00	48.00

Too high, Target: 20

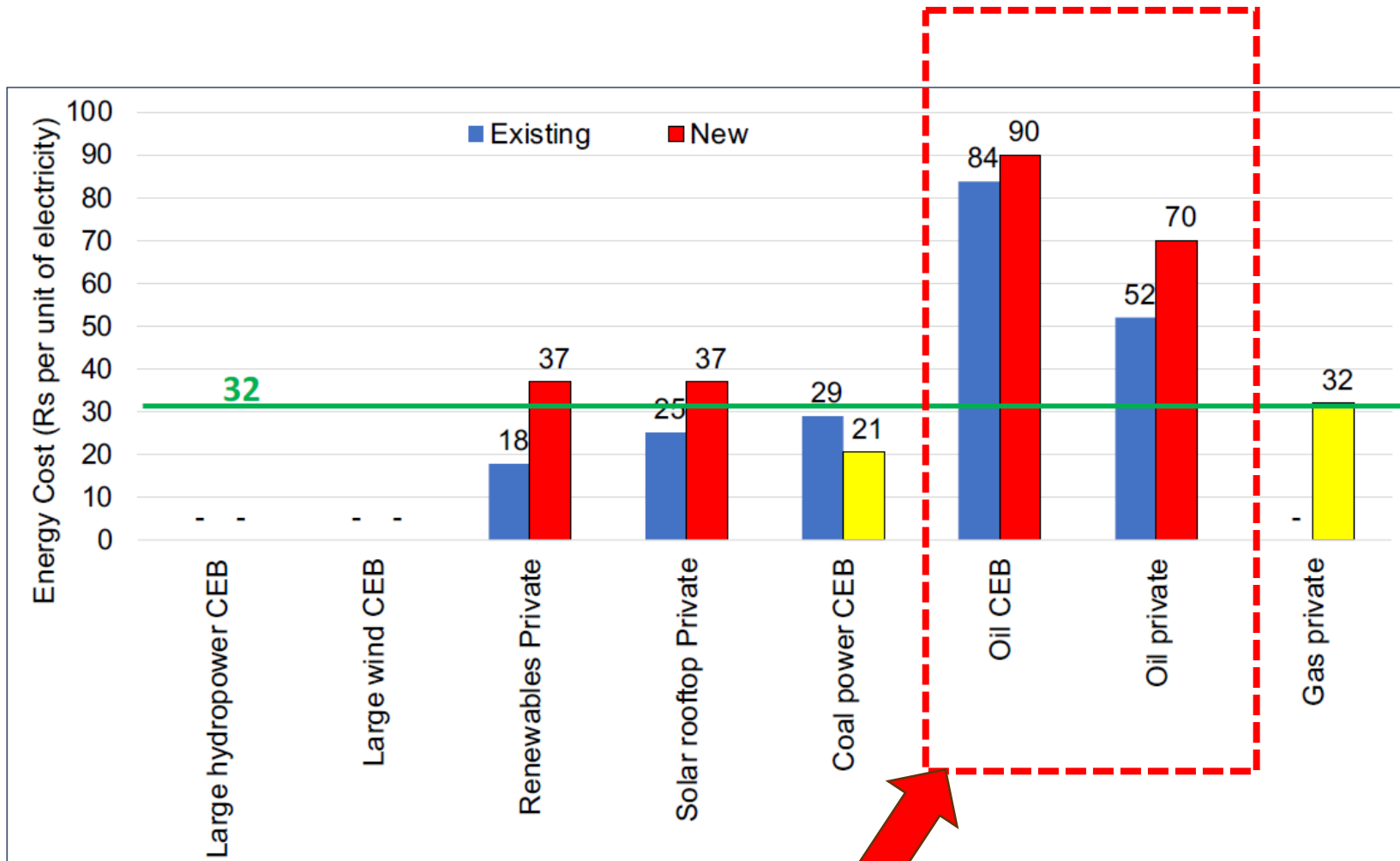
Close to international norms; Target: 10

Too high: Target 0.50

Average cost of electricity



“Cost of Generation in SL”



Night demand (especially peak) with no Solar generation is supported by expensive Liquid fuels : Rooftop Consumers



“How Equitable is RE transition“

Rooftop Solar and Low-income Consumers.

- is this equitable and inclusive ?
- Does the benefits of Sunshine Equally ?



Challenges of Low-income consumers

- High Upfront Costs
- Collateral Requirement (banks)
- No (good) roofs for installation
- No incentive for private sector investments (low tariff)



- Continue to depend fully on grid electricity
- Undergo the tariff cycles
- Continue to be subsidized (Burden to Government and Utility)



Thank you

