

# Transmission System Augmentation and Development Project (I)(II)



Avissawella Transformer Station

## Outline of Loan Agreement

Loan Amount/ Loan Disbursed Amount	¥5,278 million / ¥4,489 million
Loan Agreement	November 1988 and August 1993
Terms and Conditions	Interest rate: 2.5%/2.6%, Repayment period: 30 years (grace period: 10 years)
Final Disbursement Date	January 1997 and December 1998

## Project Profile

The project aimed to increase the capacity and efficiency of electricity transmission in Sri Lanka by building new 132kV transmission lines and transformer stations and expanding existing transformer stations, and by equipping Ceylon Electricity Board (CEB) with a private communications system to streamline system operation and to raise capacity.

## Results and Evaluation

Most of Sri Lanka's transmission network had a radial layout, which made power cuts unavoidable when a failure occurred in one location. The project completed a loop of transmission lines in the west of the country, enabling transmission by alternative routes to cope with a failure in one location.

The operational status of the new transformer stations built under the project is stable. They help to meet sudden spikes in electricity demand in the region and provide a stable supply of power.

The improvement of the CEB's private communications system allows CEB employees to overcome obstacles posed by the lack of telephone line capacity, which ensures that information can be forwarded. This ability enables employees to respond more efficiently to emergency situations.

The CEB handles maintenance, with no notable problems in the maintenance system or its finances.