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## **PGCIL to ink MoU for India and Sri Lanka power link**

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It is reported that government's initiative to set up a high capacity power transmission link between India and Sri Lanka is likely to be completed by 2013.

The 285 kilometer power link, including submarine cables over a stretch of 50 kilometer will enable the two countries to trade their surplus power, thereby offering a cheaper option to bridge their power generation deficit and also manage their peak demand.

The transmission link will pave the way for future trading of electricity between the two countries.

Power Grid Corporation of India hopes that a MoU for developing the INR 2300 crore project would be signed with the Ceylon Electricity Board, the largest electricity company of Sri Lanka shortly.

Mr S K Chaturvedi CMD of PGCIL said that "The work on the project should begin by February to March next year after the MoU is signed. It will take us two and a half to three years to complete this project."

The link will also help Sri Lanka reduce its use of expensive fuels and import cheaper power from India's surplus. For India, the link will help open up a new market for its projected surplus of power. India currently faces an over 12% power deficit, with a peak demand of 109,000 Mw annually. The government hopes it can add at least 62,000 Mw of generation capacity in the current Five Year Plan period, ending March 2012, with additional capacities being set up by private investors through captive and merchant power plants. This, along with the power from ultra mega power projects has fuelled hopes for tradable surplus.

According to PGCIL feasibility report, the subsea line would initially have a capacity of 500 Mw. Later, the power flow could be ramped up to 1,000 MW by 2016 when the power generation capacities in the two countries improve, with surplus availability especially in India's southern grid.

The proposed undersea transmission link could also be useful for transfer of electricity from the 500 MW imported coal-based power project being planned to be set up by NTPC Ltd, India's largest power generator, at Trincomalee in Sri Lanka. The island nation currently has a capacity of 2500 MW.

PGCIL had carried out a feasibility study of the project last year and had found the installing of the transmission lines to be feasible.

Mr Chaturvedi said that "We have already received an approval from the Ministry of External Affairs. Now a detailed project report will be prepared."

Globally, transnational undersea power transmission lines have been laid so far only between the UK and France for transmission of 2,000 Mw of electricity. In addition, Philippines is also planning to set up similar transmission links currently to connect its Islands through undersea electricity network.

(Sourced from Business Standard)

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