

Minutes of the 14th Project Steering Committee (PSC) Meeting of the Project on Environment Sound Management and Disposal of PCBs Waste and PCB Contaminated Equipment in Sri Lanka

Date: 23rd July 2019

Time: 2.00 pm – 4.00 pm

Venue: Conference Hall, Ground floor, Ministry of Mahaweli Development & Environment “Sobadam Piyasa”, 416/C/1, Robert Gunewardana Mawatha, Battaramulla.

Present:

- Mr. W.T.B. Dissanayake, Additional Secretary, Ministry of Mahaweli Development & Environment
- Ms. Dammika Wijayasinghe, Director (EPC & CM), MMDE
- Dr. Ms. Carmela Centeno Project Manager (UNIDO)
- Mr. S.M. Werahera, Deputy Director (EPC & CM), MMDE
- Ms. Sujeewa Fernando, Assistant Director (EPC & CM), MMDE
- Mr. K.A Anuradha Prabath, Vice President, People to People Volunteers
- Mr. W.K.B.T.W.Fernando, Chief Engineer, Ceylon Electricity Board
- Mr. T.D.A Gamage, Assistant Director, Central Environment Authority
- Mrs. D M H S Dissanayake, Senior Research Engineer, ITI
- Ms. Nirosi Pieris, Project Secretary, UNIDO
- Mr. K D G Sumanadasa, Superintendent of Custom, Department of Customs
- Mr. W.N.U. Wijesinghe, Test Engineer, LECO
- Mr. H K G M Wijendrasiri, Electrical Engineer, LECO
- Mr. Asitha K Sanavirathne, Advisor, Ministry of Industry & Commerce
- Mr. P.M Dharmathilake Director (Research Division) Ministry of Science Technology and Research
- Mr. B.L.D. Balasyriya Director of Education, Ministry of Education
- H.M.A. Herath Additional General Manger CEB
- Mrs. Navoma Karunaratne, Research Assistant , M/MD & Environment
- Ms. M.A.I.U Jayasumana, Technical Officer, PCB Management Project
- Ms. Jeewanthi Ransinghe, Assistant Director, M/MD & Environment
- Mr. Kasun Devapriya OES MMDE
- Mr. Chandima Gunasena , Admin Assistant, UNIDO

Welcome and Opening Remarks

- Mr. W.T.B. Disanayake, Additional Secretary, Ministry of Mahaweli Development & Environment welcome the members and requested to approve the minutes of the 13th PSC. Minute was approved by the members and Additional secretary, instructed to send a letter to Import and

Export Department to participate for the next PSC meeting as importance of their participation was stressed by several members.

Project overall progress of the Project

Mrs. Damikka Wijayasinghe, Acting Director (EPC and CM) presented the project progress up to June and highlighted that the work related to curriculum development including schools, universities and technical colleges was completed and the first Chemical Management Policy of the Sri Lanka was initiated under the project.

Further, she mentioned the completion of laboratories at Kandy and Colombo and commented positively on the strengthening of institutional capacities and stakeholders' awareness on PCB issue through awareness workshops and awareness materials namely paper articles, videos and exhibitions.

On the pilot test on collection and disposal of PCB in the welding sector transformers, she presented the field test planned by People to People Volunteers through the project and requested to complete the inventory as soon as possible.

Highlighting future planned activities, Mrs. Wijayasinghe requested to expedite the project progress from the CEB and mentioned the possibility of funding for the training programs needed to implement the software training facilities. Further, she stressed the importance of prioritizing the disposal of PCB wastes belonging to LTL, chemicals contaminated with PCB generated from the two laboratories and stockpiles of CEB.

Project progress presented by the CEB

Eng. Thusitha, CEB represented the overall progress of the inventorying process of utility sector as 35 percent and work is in progress as scheduled and informed that details will be discussed at the meeting which is scheduled to be held on July 24, 2019.

Project progress presented by the People to People Volunteers

Mr. K.A.Anuradha of People to People Volunteers commented that based on the results of the analysis carried out for the samples collected throughout island, 14 percent of the welding transformers are contaminated. He further said that the results are based on 28 oil samples submitted to ITI transformers and the total number of samples submitted to ITI for analysis is 200 covering the whole island. Based on those results he mentioned that nearly there is about 40 tons of PCB-positive welding transformer oils.

Responding to a question asked by the Mrs. Dammika, Mr. Anuradha mentioned that contamination levels varies form 1000, 2000, 3000 and Mr. Mahinda informed that level will not exceed beyond 5000 ppm. Dr. Centeno questioned about the information gathered during the sample collecting process and asked whether they collect information and analyze statistically or qualitatively information like, source of oil, vendors, where the supplies are and supplies with high

PCB concentration etc. and asked whether they could reduce the number of samples collected for the analysis. According to Mr. Anuradha, they were able to collect all the information using a separate questioner related to samples collected including location details, addresses and contact details of owners etc. and such an analysis was done and in order to increase the accuracy of the data collection, sample size must be increased and cannot be reduced.

Mr. Anuradha mentioned that, Kurunegala district has reported the highest number of welding transformers and this is mainly due to the agricultural community where they weld their equipment at household level. In contrast, Colombo has lesser number of welding transformers, where land value is high compared to out stations. Therefore, it is not lucrative to have a welding shop than other commercial business ventures in Colombo area.

Dr. Centeno requested to formulate criteria with some intelligent assumptions to justify the need of higher number of samples like 800 and further she highlighted that PSC initially agreed to have 800 samples. Mr. Mahinda clarified that and mentioned that initially stratified random sampling was practiced for the selection of sampling points and same procedure could be adopted for the rest 800 samples.

Test Cleaning of welding transformers

Mr. Anuradha informed that they have developed the vehicle with all necessary facilities needed to run the cleaning of contaminated welding transformants, refilling and collecting PCB contaminated oil.

Analysis of 800 oil samples from welding transformers

According to Mr. Anuradha, they have prepared the initial information to collect extra 800 samples island wide to increase the accuracy of the welding sector database according to the permission granted by previous PSC meetings and they are in a position to complete the sampling process within a month. Further, he elaborated the need of test kits to carry out the sampling of selected 800 transformers island wide and test kits are available for the process.

Cost of disposing welding transformers

Referring to a previous committee report Mr. Anuradha mentioned about the higher cost involved in disposing all 10177 transformers without testing them and lesser cost involved in disposing oil of all welding transformers that are identified as contaminated through tests.

Mr. W.T.B. Disanayake, Additional Secretary questioned about the cost per test and the availability of test kits. According to Mr. Anuradha nearly Rs. 3500 is needed only for the test kit and including transport and other costs, total cost of one test will be around Rs. 4500. Further, Mr. Anuradha mentioned 9000 test kits are needed to test all transformers and the tests could also be carried out at the ITI laboratory after collecting samples where cost is almost same as testing using test kits.

Hazardous waste license required for transporting waste PCB oils

Mr. Anuradha informed that they have applied for the license facility from the CEA. He further mentioned that either they have to build a temporary storage facility for collected PCB or has to transport collected oil directly to the disposal entity.

According to Mr. Anuradha, the technical committee report initially recognized INSEE in Puttalam as the disposal facility provider. In order to get the hazardous waste transport license from the CEA, a letter should be issued by the INSEE, mentioning that they are willing to accept the PCB wastes transporting by People to People for the final disposal. But the contract is not yet handed over to the INSEE and therefore, they are reluctant to issue the letter and which is needed to get the license form the CEA.

Deputy Director Mr. Mahinda informed to the PSC that committee has to decide to grant approval to establish a temporary storage facility under People to People volunteers. Mr. Anuradha mentioned that they could establish such facility to store to fulfill the storage requirement (for 40 IBC containers having 1000 liters each) only for the welding sector spending around Rs. 500,000. Mr. Tissa, Assistant Director/CEA agreed to issue the license for collection, transport and storage for the People to People Volunteers once the conditions are fulfilled.

Mr. Anuradha requested to release the due payment of the agreement after the completing the pilot tests of the cleaning and refilling of welding transformers to be carried out on July 25, 2019 in Kurunegala district with the participation of Dr. Carmela and Officers of MMDE and CEA. PSC granted the approval of release of the related installment once the report of the cleaning activity is submitted.

PCB free transformer oil needed for refilling of cleaned welding transformers

According to Mr. Anuradha, they have purchased PCB free oil from LECO and the cost is about Rs. 305 per liter. In addition to that he mentioned that earlier CEB agreed to supply a liter for 180 rupees and Mr. Herath, Additional General Manager CEB mentioned that now CEB also purchasing those oils and there is no possibility of providing oil at that price. Mr. Anuradha requested used transformer oil from the CEB. Mr. Herath said that insulation level could be low in used oils and also acidity levels could be high. Therefore, there is no point of going for used oils for refilling cleaned welding transformers. Further, commenting Mr. Herath said that in welding transformers oil is used mainly for cooling purposes and if used oils are used insulation could be damaged.

Mr. Werahera, Deputy Director (EPC and CM) wanted to clarify whether the oil replacement cost is also included in the total cost of testing. Mr. Anuradha mentioned that total cost is given only for the test and oil replacement cost is not included. According to Mr. Anuradha, one welding transformer is needed nearly 25 liters of PCB free oil and technical committee used Rs. 180 as the cost of one liter. Further to that Mr. Anuradha mentioned that now value of one liter has increased up to Rs.305.

Progress presentation by LECO

According to the presentation delivered by LECO representative, Eng. W.N.U. Wijesinghe, they have nearly 110 transformers and out of that 8 are having more than 50 ppm of PCB and contamination levels for two transformers are more than 45 ppm. Contamination levels for forty transformers are less than 45 ppm and 51 transformers are not contaminated with PCBs. LECO has proposed to have a central storage system under the supervision of CEA. Mr. Mahinda proposed to use the existing yard of the LECO as a storage facility and LECO informed that they cannot provide a space for storing PCB contaminated transformers. Mentioning the severity of the problem, LECO highlighted that 9 transformers out of 110 has no oil inside and there is no mechanism to stop such draining of oils from stored transformers. Dr. Carmela suggested to drain those vulnerable transformers and store oils safely and representative from LECO informed that now they are practicing that option and they have only 2000 liters of contaminated oil. Dr. Carmela asked to take care of that amount by the LECO themselves till disposal activities starts in the near future. According to the LECO representative they are planning to dispose transformers without PCBs and transformers with PCB less than 50 ppm and this will be informed to the Ministry in the near future.

Need of prioritizing disposal activities

Referring to the previous meeting Dr. Carmela requested a prioritization of disposal activities namely, stock piles and obsolete transformers. She also mentioned that most of other countries have prioritized the power sector transformers when considering the disposal operations and inventorying .

Agreement between the Ministry of Mahaweli Development and Environment and Ceylon Electricity Board

Mr. Werahera, Deputy Director EPC and CM requested to extend the agreement and Mr. Herath, Additional General Manager CEB agreed upon.

Presentation by Dr. Carmela Centeno – Project manager (UNIDO)

According to Dr. Carmela, the project was planned for five year since 2015 and now project must be at the ending phase where 80 percent of the time allocation was already exhausted and the financial progress at only 22 percent. She mentioned that she relayed to UNIDO management of the excellent progress of the Ministry-led activities for Components 1 and 2 despite the 22% financial progress.

Further to that she highlighted that funds allocated for the component 3 has not been utilized and 3.3 million USD are still available. Out of this amount 2.6 million USD are allocated for disposal activities. If a contract for the welding sector is to be provided, this allocation will decrease to around USD 2.3 million.

Dr. Carmela suggested to realign the budget and recommended to allocate some funds for the welding sector, inventorying process and replacement etc. According to her there are still 3.7 million USD (for the whole project) that need to be spent and requested CEB to expedite the inventorying process and the disposal activities. This will help her to justify the request to extend the project period.

Proposal for People to People Volunteers

According to Dr. Carmela only USD 40,000 could be allocated for the welding sector without going for international bidding. She further stressed that she need a very good justification and endorsement from PSC with a revised work plan form the People to People to make the said allocation. Furthermore, referreing to the previous discussions, Dr. Carmela mentioned that People to People Volunteers may need USD 300,000 to USD 350,000 to complete the work in hand.

Mr. W.T.B. Disanayake, Additional Secretary requested from the PSC members to share their views on present situation faced by the People to People to justify the task ahead with and PSC members approved the requests made by the People to People Volunteers. Dr. Carmela requested to submit terms of reference, endorsement form the Ministry and the PCS minutes for future work.

According to Dr. Centeno without going international bidding, she could only allocate 40,000 USD for the welding sector and further commenting she highlighted that, People to People Volunteers need around 300,000 to 350,000 USD to complete the inventory of remaining transformers, cleaning, oil replacement and storage of contaminated oil until final disposal. According to Dr. Carmela, to allocate this amount she requested a very good justification including endorsement form the PSC, or the Ministry with a revised work plan form the People to People. If the PSC and the Ministry agreed on this allocation, a wavier for People to People Volunteers could be arranged through the legal procedures of the procurement committee of the UNIDO without going for international bidding and this will take another one or two months. In order to go ahead with this proposal, People to People Volunteers need to submit technical and commercial proposals.

Disposal of the utility sector PCB

According to Dr. Carmela, Project manager (UNIDO) global tender will be issued by December 2019, for disposing PCB wastes generated by the CEB. Evaluation of global bids will be carryout during the February year 2020 and contract will be awarded around April. This technical evaluation team will be comprised of UNIDO staff and Expert and Officers of Ministry and PCB waste owners. Evaluation process will be carryout for one week in Vienna under the supervision of UNIDO procurement committee.

Accordingly, Dr. Carmela requested to finish the inventorying process before September 2019 to propose possible interventions to Sri Lanka. Dr. Carmela mentioned that, UNIDO is planning to have a technical mission on September 2019, to evaluate the inventorying process, draft the terms of references for the bids and regulating of PCBs including but not limited to the issues of legal hurdles for export of PCB wastes, temporary importation of equipment for dichlorination where

service provider clean only the PCB contaminated oil and allow it to reuse. Dr. Carmela requested to submit all inventories to be prepared and completed by CEB to the expert for further evaluation.

Extension of the project period

Dr. Carmela explained the difficulty in completing the project on or before May 2020. Hence, PSC granted approval to make a request for a one-year extension to carry out the disposal activities. Further to that Dr. Carmela requested from the PMU to build up close coordination with the GEF Focal Point and asked to send project progress reports in future.

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Ms. Dhammika Wijayasinghe
Acting Director (Environmental Pollution Control and Chemical Management Division
Ministry of Mahaweli Development and Environment