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**NOTIFICATIONS BY HEADS OF DEPARTMENTS, Etc.**

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PUBLIC WORKS NOTIFICATIONS

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

LICENSEES' DUTY FOR SUPPLY OF ELECTRICITY ON REQUEST AND RECOVERY OF  
EXPENSES FOR PROVIDING ELECTRIC LINE OR ELECTRICAL PLANT

**Regulation No.3/2004**

**INTRODUCTION**

Section 43 of the Electricity Act 2003, casts a duty on the Distribution Licensees to supply electricity on request to any premises within one month after receipt of application from the owner or occupier of the premises. Where however, such supply requires extension of distribution mains or commissioning of new substations, the Distribution Licensee shall supply the electricity immediately after such extension or commissioning or within such period as may be specified by the Commission.

Section 46 of the said Act has vested the State Commission with the power to authorize the Distribution Licensee to recover the expenses reasonably incurred in providing any electric line or electrical plant used for the purpose of giving supply to a person pursuant to Section 43.

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In exercise of the powers conferred by clause (t) of sub-section (2) of section 181 read with sub-section (1) of section 43, and subsection (1) of section

181 read with section 46 of the Electricity Act 2003 (36 of 2003) and all powers, enabling it in that behalf, the Andhra Pradesh Electricity Regulatory Commission hereby makes the following Regulation, namely:-

### **1. Short title, commencement and interpretation**

- i. This Regulation may be called the Andhra Pradesh Electricity Regulatory Commission (Licensee's duty for supply of electricity on request) Regulation, 2004.
- ii. This Regulation shall be applicable to all distribution licensees in their respective licensed areas, in the State of Andhra Pradesh.
- iii. This Regulation shall come into force 3 months after the date of its publication in Andhra Pradesh Gazette.

### **2 Definitions**

In this Regulation, unless the context otherwise requires:-

- a) "Act" means the Electricity Act, 2003 (36 of 2003);
- b) "Commission" means the Andhra Pradesh Electricity Regulatory Commission
- c) "Applicant" means the owner or occupier of any premises who makes an application to the distribution licensee for supply, of electricity."
- d) "Adjudicating officer" means any Member of the Commission appointed by the Commission to adjudicate on matters specified under the Act to be adjudicated by him,
- e) "high tension (HT) consumer" means a consumer who is supplied electricity at a voltage higher than 440 volts but not exceeding 33000 volts'
- f) "low tension (LT) consumer" means a consumer who is supplied electricity at a voltage up to 440 Volts;
- g) "extra high tension (EHT) consumer" means a consumer who is supplied electricity at a voltage higher than 33000 'Volts;
- h) "month" means the calendar month, The period of about 30 days between the consecutive meter readings shall also be regarded as a month for purpose of billing;

Words and expressions used and not defined in this Regulation but defined in the Act shall have the meanings as assigned to them in the Act.

### 3. Duty of licensee to supply on request

(1) Every distribution licensee shall, On receipt of an application from the owner or occupier of any premises give supply of electricity to such premises within the time specified in sub-clause (2) subject to payment of fees charges and security and the due fulfillment of other conditions to be satisfied by such owner or occupier of the premises:

Provided that in case of applications requiring supply under Low Tension Agricultural Category, such obligation on the part of the licensee shall be limited to the number of connections that can be covered within the target fixed for the year for release of agricultural connections. The licensee shall maintain a waiting list of such applicants in a serial order based on the receipt of such application and the waiting list number shall be communicated to the concerned applicant in writing within 15 days of receipt of application. If the applicant's case cannot be covered in the programme of release of agricultural connections fixed for the year it shall be so indicated in the said written communication.

(2) (a) The Distribution Licensee shall give supply of electricity to the premises pursuant to the application under sub-clause ( 1) above where no extension of distribution main or commissioning of new sub-station is required for effecting such supply within one month after the receipt of the receipt of the application along with the fees, charges and security amount payable;

(b) In cases where such extension of distribution main is required but there is no requirement of erecting and commissioning a new 33/11kV sub station the Distribution Licensee shall give supply within the time frame specified hereunder:

Type of service connection requested	Period from date of payment of required security, within which supply of electricity should be provided
Low Tension (LT) supply	30 days
11 KV supply	60 days
33 KV supply	90 days
Extra High Tension (EHT) supply	180 days

Provided that the Distribution Licensee may approach the Commission for extension of the time specified above, in specific cases where the magnitude of extension is such that it require more time, duly furnishing the details in support of such claim for extension. and if the Commission is satisfied with the justification given by the distribution licensee it may extend the time for commencing the supply

(c) In the case of application for new connection, where extension of supply requires erection and commissioning of new 33/11 KV substation, the Distribution Licensee shall within 15 days of receipt of application, submit to the Commission a proposal for erection of 33/11 KV substation together with the time required to commission the substation, and get the same approved by the Commission. The licensee shall commence power supply to the applicant within the period so approved by the Commission:

Provided that if the substation is meant to extend supply to an individual consumer, the licensee may, unless otherwise directed by the Commission, commence erection of the substation only after receipt of necessary security from the applicant.

Provided further that where such substation is covered in the investment plan approved by the Commission, the distribution licensee shall not be required to take any further approval from the Commission and shall complete the erection of such substation within the time period specified in such investment plan.

(3) The licensee shall not be responsible for the delay, if any, in extending supply, if the same is on account of problems relating to "statutory clearances, right of way, acquisition of land, or the delay in consumer's obligation to obtain approval of Chief Electrical Inspector for his High Tension or Extra High Tension installation, or for any other similar reasons beyond the reasonable control of the Licensee.

(4) Subject to the above, it shall be the responsibility of the Distribution Licensee to have necessary commercial arrangements with the respective transmission licensee(s) to ensure that the required supply at Extra High Tension (EHT), i.e. above 33 KV, is made available within the time frame specified under sub-clause (2) above:

(5) In cases where the village or hamlet or area is not electrified earlier, the distribution licensee shall give supply of electricity to such premises after the village or hamlet or area is covered for electrification under any programme of electrification of habitations covered in the investment plan approved by the Commission. The supply shall be extended within the time frame specified in such investment plan approved by the Commission.

#### **4. Consequences of default**

(1) The Distribution Licensee who fails to comply with the time frame for supply of electricity stipulated in clause 3 above shall be liable to pay penalty as may be decided by the adjudicating officer of the Commission in accordance with sub-section (3) of section 43 of the Act.

(2) The liability to pay penalty under this Regulation for default if any, does not absolve the distribution licensee from the liability to pay compensation to the affected person as per the regulation notified under sub-section (2) of section 57 of the Act.

#### **6. Right of the Distribution Licensee to recover expenditure**

- (1) The Distribution Licensee shall, unless otherwise specified in this Regulation or otherwise by an order of the Commission fulfill the obligation to supply electricity to the premises, without claiming any payment or reimbursement by the applicant for any expenditure, if such expenditure has been incurred or is to be incurred by the Distribution Licensee in terms of or under any scheme approved by the Commission or when such expenditure is otherwise allowed to be recovered by the Distribution Licensee as a part of the revenue requirements of the Distribution Licensee.
- (2) Subject to the provisions or Act and this Regulation and subject to such directions, orders or guidelines the Commission may issue from time to time, every Distribution Licensee is authorized to recover from an applicant, requiring supply of electricity, any expenses that the Distribution Licensee shall be required to reasonably incur in addition to those specified in sub-clause (1) above to provide any electric line or electrical plant specifically for the purpose of giving such supply to the applicant.
- (3) Before taking up the erection of electric line or electrical plant required for extending supply to the applicant, the Distribution Licensee shall estimate the charges for erecting such electric line or electrical plant and present the same to the applicant.
- (4) In the event the electricity supply is required by two or more applicants in the same area through extension of common Electric Line and Electric Plant and

the expenditures in respect thereof are not covered by sub-clause (1) above, the Distribution Licensee shall apportion such expenditure amongst all such applicants.

- (5) The Commission may from time to time and by a general or special order specify the extent to which the Distribution Licensee shall install, establish or extend the Distribution Main, the Electric Line and Electric Plant as a part of a scheme to be implemented by the Distribution Licensee or otherwise to be undertaken and the expenditure to be covered as a part of the revenue requirements of the Distribution Licensee to be recovered from the Tariffs to be determined by the Commission.

#### **7. Specific Provision for Low Tension supply**

The following provisions shall apply for low-tension supply

- (a) In case of applications for Low Tension supply where such supply requires only laying the service line from the existing distributing main to the consumer's premises, the Distribution licensee shall estimate the cost of service line and the cost of terminal and metering 'arrangements at the premises of the consumer, but not including the cost of meter.

- (b) In case of applications where there is a need to erect new electrical plant such as the distribution transformer (DTR) along with switch-gear etc., for extending supply to the applicant for Low Tension connection, the licensee shall estimate the cost of electrical plant as follows:

Cost of the works of erection of DTR including switch-gear (in Rupees) = P

Rated capacity of DTR (KVA) = Q

Cost per KVA (in Rupees) = P/Q

Contracted load (HP) /Demand (KVA) of the applicant = K

Amount payable by applicant towards electrical plant (in Rs) = K\*(P/Q)

Provided that the Distribution licensee shall estimate the cost of electrical plant based on the latest cost data as published by the Distribution licensee.

(c) In case of applications where there is a need to erect or extend the 11 KV line in order to erect a distribution transformer and extend supply to the applicant, the Distribution licensee shall estimate the cost of such section of 11 KV line on a per kilometer basis based on the latest cost data as published by the Distribution licensee.

#### **8. Specific Provision for High Tension supply**

The following provisions shall apply for high-tension supply

(a) In case of applications for new connections, where such supply requires only extension of High Tension line from the existing distributing main to the consumer's premises, the Distribution licensee shall estimate the cost of service line and the cost of terminal and metering arrangements at the premises of the consumer, but not including the cost of meter and Current Transformer and/or Potential Transformer used for metering; The Distribution Licensee shall estimate the cost of service line on per kilometre basis and the cost of metering arrangements based on the latest cost data as published by the Distribution Licensee.

(b) In case of applications where there is a need to erect a new power transformer or augment the capacity of existing power transformer with or without bay extension at a 33/11 KV substation for extending supply to the applicant, the Distribution Licensee shall estimate the cost of the works involved in the same way as indicated in sub-clause 6(b) above.

(c) In case of applications where there is a need to erect a new 33/11 KV substation in order to extend supply to an individual applicant, the Distribution Licensee shall estimate the cost of such substation as per the latest cost data published by the Distribution Licensee.

#### **9. Specific provision for Extra High Tension Supply**

The following provisions shall apply for extra high tension supply

(a) In case of applications for new connections, where such supply requires only extension of Extra High Tension line from the existing transmission substation to the consumer's premises, the distribution licensee shall estimate the cost of such line and the cost of terminal and metering arrangements at the premises of the

consumer, but not including the cost of meter and Current Transformer and/or Potential Transformer used for metering. The distribution licensee shall estimate the cost of line on per kilometre basis and the cost of metering arrangements based on the latest cost data as published by the transmission licensee.

(b) In case of applications where it is required to erect a new power transformer or augment the capacity of existing Power transformer with or without bay extension at a transmission substation, for extending supply to the applicant, the licensee shall estimate the cost of the works involved in the same way as indicated in sub-clause 6(b) above.

#### **10. Standard cost data**

(1) The Distribution licensee shall on an annual basis publish a cost data book by 1<sup>st</sup> April of the year, which shall be the basis of making the initial estimate for erection of electric line or electrical plant in order to extend supply to the applicant.

(2) The Distribution licensee shall make available the copies of the cost data book to the general public on demand at a reasonable charge.

#### **11. Security for providing electric line or electrical plant**

The Distribution licensee is authorized to demand security from the applicants for the purpose of erecting electric line or electrical plant for extending supply, as per the Regulation prescribed under section 47 of the Act.

#### **12. Manner of accounting and adjustments**

(1) The Distribution licensee shall maintain records of all expenditure actually incurred by him in extending supply to the applicant and shall carry out the adjustments for security, recovery of excess expenditure or refunds thereof, in accordance with the Regulation prescribed under section 47 of the Act.

(2) The Distribution licensee shall account, under appropriate account heads, all charges recovered by him for erection of electric line for extending supply to the applicant seeking new connection. The amounts so recovered shall be deducted from the Gross Fixed Assets to arrive at the value of Net Fixed Assets.



(3) The Distribution licensee shall complete the finalisation of expenses and adjustment for differences and present the detailed statement of expenses to the consumer within a period of one month from the date of release of supply.

**13. Force Majeure:** The time frame specified in clause 3 above shall not be operative where the distribution licensee is prevented from giving supply of electricity on account of cyclones, floods, storms and other occurrences beyond his control.

14. **Savings:** Nothing contained in this Regulation shall affect the rights and privileges of the consumer under any other law for the time being in force, including the Consumer Protection Act, 1986 (68 of 1986).

**15. Power to amend:** The Commission may, at any time add, vary, alter, modify or amend any provisions of this regulation.

S. SURYAPRAKASA RAO

**Secretary**