



KERALA STATE ELECTRICITY REGULATORY COMMISSION

KPFC BHAVANAM, C.V. RAMAN PILLAI ROAD, VELLAYAMBALAM,
THIRUVANANTHAPURAM, KERALA, PIN 695 010

Phone: 0471 273 5544, FAX 0471 273 5599, Website: www.erckerala.org

E-mail: kserc@erckerala.org

No. 001/Com.Ex/12/KSERC

25/11/2015

NOTICE **UNDER SECTION 130 OF THE ELECTRICITY ACT, 2003**

WHEREAS, the Compliance Examiner of the Kerala State Electricity Regulatory Commission, after his inspection of Electrical Circles, Kozhikode, Pathanamthitta, Ernakulam, Manjeri and Kottarakkara has reported that the Kerala State Electricity Board Ltd, a distribution licensee within the state, is realizing from the applicants the amount of expenditure for extension or upgradation or both of the distribution system made by it for meeting the demand of new consumers and the additional demands of the existing consumers;

AND WHEREAS, under section 42 of the Electricity Act 2003, it is the duty of a distribution licensee to develop and maintain an efficient, coordinated and economical distribution system in his area of supply and to supply electricity in accordance with the provisions contained in the Act;

AND WHEREAS, under section 43 of the Electricity Act 2003, every distribution licensee shall give supply of electricity within 30 days of the submission of application by the owner or occupier of a premises;

AND WHEREAS, under section 46 of the Electricity Act 2003, the distribution licensee, can realise from a person, requiring supply of electricity, in pursuance of section 43, only the reasonable expenses incurred in providing any electrical line or electrical plant used for the purpose of giving that supply, as authorized by the regulations issued by the Commission;

AND WHEREAS, the Commission has as per regulation 32 of Kerala Electricity Supply Code 2014, specified that the expenditure charged by the licensee under section 46 of the Act shall be based on the cost data approved by the Commission;

AND WHEREAS, the Commission has in accordance with regulation 33 of the Kerala Electricity Supply Code 2014, approved the cost data for recovery of reasonable expenses under section 46 of the Act;

AND WHEREAS, as per Regulation 35 of the Kerala Electricity Supply Code 2014, the expenditure for extension or upgradation or both of the distribution system up to and including the distributing main, for meeting the load demand of new consumers and for the additional demand of the existing consumers, has to be borne by the distribution licensee and the expenditure can be recovered from the consumers through tariff as approved by the Commission;

AND WHEREAS, it is reported that, the electric supply for meeting the power requirement under low tension supply is being given only after realizing

the amount of expenditure for the installation of the transformer and the augmentation of the distributing main, if necessary;

AND WHEREAS, the above amounts of expenditure being collected from the applicants are for the upgradation of the distribution system up to the distributing main of the licensee and hence the demand notices issued to the new applicants and to the existing consumers, where the required load demand falls below the limit fixed for low tension supply as specified in Regulation 8 of the Kerala State Electricity Supply Code 2014, are unauthorized;

AND WHEREAS, in the above said circumstances, the Commission is prima facie satisfied that the Kerala State Electricity Board Ltd. and its officials concerned have contravened Regulation 35 of the Kerala Electricity Supply Code, 2014 and Sections 42 and 46 of the Electricity Act, 2003 and that such contravention of the provisions of the Electricity Act and the regulations made thereunder is liable to be proceeded against under section 142 and section 146 of the Act;

AND WHEREAS, in the circumstances stated above the Kerala State Electricity Regulatory Commission proposes to give such direction under section 129 as may be necessary for the purpose of securing compliance with Regulation 35 of the Kerala Electricity Supply Code, 2014 and Sections 42 and 46 of the Electricity Act, 2003.

NOW, THEREFORE, notice under Section 130 of the Act is hereby given to the distribution licensee, namely, the Kerala State Electricity Board Ltd,

represented by its Chairman and Managing Director and the Secretary regarding the intent of the Commission under section 129 to issue necessary directions for the purpose of securing strict compliance with regulation 35 of the Kerala Electricity Supply Code 2014 and sections 42 and 46 of Electricity Act 2003. Suggestions and objections if any, shall be furnished within 30 days from the date of receipt of this notice, failing which, the Commission will proceed with the proposal on the presumption that the licensee has nothing to offer in this regard. The licensee is also directed to state whether it desires to be heard in the matter.

By order of the Commission

SECRETARY

To

- (1)The Chairman and Managing Director, Kerala State Electricity Board Limited
- (2)The Secretary (Administration), Kerala State Electricity Board Limited