

## **GUJARAT ELECTRICITY REGULATORY COMMISSION (GERC)**

### **LICENSEE'S POWER TO RECOVER EXPENDITURE INCURRED IN PROVIDING SUPPLY AND OTHER MISCELLANEOUS CHARGES**

#### **Notification: No. 9 of 2005**

In exercise of the powers conferred by section 181 read with section 45 and 46 of the Electricity Act 2003 (36 of 2003) and all powers enabling it in that behalf, the Gujarat Electricity Regulatory Commission hereby makes the following Regulations, namely:-

#### **CHAPTER - I**

##### **1. SHORT TITLE, COMMENCEMENT AND INTERPRETATION**

- i. These Regulations may be called the Gujarat Electricity Regulatory Commission (Licensee's Power to Recover Expenditure incurred in providing supply and other Miscellaneous Charges) Regulations, 2005.
- ii. These Regulations shall be applicable to all Distribution Licensees in their respective licensed areas, in the State of Gujarat.
- iii. These Regulations shall come into force on the date of their publication in the Gazette.

#### **CHAPTER - II**

##### **2. DEFINITIONS**

**2.1** In these Regulations, unless the context otherwise requires:-

- (i) "Act" means the Electricity Act, 2003 (36 of 2003).
- (ii) "applicant" means the owner or occupier of any premises who makes an application to the distribution licensee for supply of electricity.

- (iii) "Commission" means the Gujarat Electricity Regulatory Commission.
- (iv) "Distribution Licensee" means a Licensee authorised to operate and maintain a Distribution System for supplying electricity to the Consumers in his Area of Supply.
- (v) "distribution main" means the portion of any main with which a service line is, or intended to be, immediately connected.
- (vi) "distribution system" means the system of wires and associated facilities between the delivery points on the transmission lines or the generating station connection and the point of connection to the installation of the consumers.
- (vii) "electrical plant" means any plant, equipment, apparatus or appliance or any part thereof used for, or connected with, the generation, transmission, distribution or supply of electricity but does not include:
  - i. an electrical line ; or
  - ii. a meter used for ascertaining the quantity of electricity supplied to any premises; or
  - iii. an electrical equipment, apparatus or appliance under the control of a consumer.
- (viii) "electric line" means any line which is used for carrying electricity for any purpose and includes:
  - i. any support for any such line, that is to say, any structure, tower, pole or other thing in, on, by or from which any such line is, or may be, supported, carried, or suspended; and

- ii. any apparatus connected to any such line for the purpose of carrying electricity.
- (ix) "Extra High Tension (EHT) supply" means electricity supplied at a Voltage equal to or greater than 66 kV.
- (x) "Government" means the Central Government or the State Government as the case may be.
- (xi) "High Tension (HT) supply" means electricity supplied at a Voltage greater than 440 V and lesser than 66 kV.
- (xii) "Low Tension (LT) supply" means electricity supplied at a Voltage not exceeding 440 volts.
- (xiii) "month" means the calendar month unless the context otherwise requires. A time lasting from a specified date in one calendar month until the same date in the next calendar month (a period of time equivalent to about 30 days).
- (xiv) "service line" means any electric supply line through which electricity is, or is intended to be, supplied -
  - i. to a single consumer either from a distributing main or immediately from the Distribution Licensee's premises; or
  - ii. from a distributing main to a group of consumers on the same premises or on contiguous premises supplied from the same point of the distributing main.
- (xv) "State Act" shall mean the Gujarat Electricity Industry (Reorganisation and Regulation) Act, 2003.
- (xvi) "sub-station" means a station for transforming or converting electricity for the transmission or distribution thereof and includes transformers, converters, switchgears, capacitors, synchronous condensers, structures, cable and other

appurtenant equipment and any buildings used for that purpose and the site thereof.

- (xvii) "Temporary Service" means supply will be given initially for a period not exceeding one month subject to review for further extension in accordance with the classifications of installation for purpose of permanent supply.

Words and expressions used and not defined in these Regulations but defined in the Act or the State Act or the Rules framed thereunder shall have the meanings assigned to them in the said Act or the State Act or such Rules. Expressions used herein but not specifically defined in these Regulations or in the Act or the State Act or the Rules framed thereunder but defined under any law passed by a competent legislature and applicable to the electricity industry in the state shall have the meaning assigned to them in such law. Subject to the above, expressions used herein but not specifically defined in the Regulations or in the Act or the State Act or the Rules framed thereunder or in any other law passed by a competent legislature shall have the meaning as is generally assigned in the electricity industry. The Bombay General Clauses Act, 1904, shall apply for the purpose of the present Regulations.

**INTERPRETATION:**

- 2.2 In the interpretation of these Regulations, unless the context otherwise requires:
- (a) words in the singular or plural term, as the case may be, shall also be deemed to include the plural or the singular term, respectively.
  - (b) the terms "include" or "including" shall be deemed to be followed by "without limitation" or "but not limited to" regardless of whether such terms are followed by such phrases or words of like import.
  - (c) references herein to the "Regulation" shall be construed as a reference to these Regulations as amended or modified by the

Commission from time to time in accordance with the applicable laws in force.

- (d) the headings are inserted for convenience and may not be taken into account for the purpose of interpretation of these Regulations.
- (e) references to the statutes, regulations or guidelines shall be construed as including all provisions consolidating, amending or replacing such statutes, regulations or guidelines, as the case may be, referred to.

### **CHAPTER - III**

#### **3 DUTY OF THE DISTRIBUTION LICENSEE TO SUPPLY ELECTRICITY ON REQUEST AND RECOVERY OF EXPENDITURE**

- (i) The Distribution Licensee shall, subject to the provisions contained in Section 43 of the Act, fulfill his obligation to supply electricity to the premises of consumers.
- (iii) Subject to the provisions of the Act and these Regulations and subject to such directions, orders or guidelines as the Commission may issue from time to time, every Distribution Licensee is allowed to be recovered from an applicant, requiring supply of electricity, any expenses that the Distribution Licensee shall be required to reasonably incur to provide any electric line or electrical plant specifically for the purpose of giving such supply to the applicant.
- (vi) The Licensee shall lay free of charge a service line (overhead line or underground cable depending upon the type of distribution system existing) up to a length of 30 meters from its nearest distributing main on public roads, outside the limits of the property in respect of which requisition for electricity supply is received.
- (vii) The entire service line, notwithstanding that a portion thereof has been paid for by the Consumer, shall be the property of the Distribution Licensee and by whom it shall be maintained and the

Distribution Licensee have a right to use it for the supply of energy to any other person by tapping the service or otherwise except if such supply is detrimental to the supply to the consumer already connected therewith.

## **CHAPTER - IV**

### **4. PROVISION FOR LOW TENSION SUPPLY**

**4.1** 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. The

estimate of the cost of electric line, electrical plants and metering arrangements shall be based on the latest cost data as published by the Distribution Licensee.

In respect of above consumers the Distribution Licensee may dispense with the process of preparation of detailed individual estimate and instead charge on the basis of per KW of contracted load and per Meter rate. Although, it will not prepare individual estimate, the Distribution Licensee shall maintain the cost incurred in respect of such categories of the consumers who are provided with electricity only through extension of service line (with out undertaking any of the work like DTR or laying of HT line). The average cost incurred (according to the latest cost data as published by the Distribution Licensee) shall be used as the yard stick for determining the per kW cost of these categories of consumers.

**4.2(i)** In cases of applications where there is a need to erect new electrical plant such as 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 switchgear(in Rupees) = P

Rated capacity of DTR in KVA = Q

Cost per KVA (in Rupees) = P/Q

Contracted load in KVA of the applicant = K

Amount payable by applicant towards electrical plant (in Rupees)=

$K*(P/Q)$

In cases of applications when the capacity of existing electrical plant (such as DTR and switchgear etc.) is require to be augmented, the differential cost of existing and new such electrical plant will form the basis of calculation of pro-rata charges.

In all cases the estimate of the cost of electrical plant shall be based on the latest cost data as published by the Distribution licensee.

**4.2(ii)** In cases of applications which besides erection of electrical plant (such as DTR and switchgear etc.), need laying or extension of the HT line for providing supply to the applicant, the estimate of the cost of such section of HT line shall be made on a per kilometer basis based on the latest cost data as published by the Distribution Licensee.

The Distribution Licensee shall recover the cost, as mentioned in the sub-clause 4.2(i) and 4.2(ii), from all the applicants excluding following categories:

- a. Agricultural consumers with the exception of Agricultural connection to be given under special schemes like “Tatkal Scheme” which may be brought out in future.

- b. Water Works and Sewerage Pumps operated by/for any local authority other than Municipal Corporation.
- c. Domestic consumers
- d. Commercial consumers up to 100 KVA/125 HP of contract demand



## **CHAPTER - V**

### **5. PROVISION FOR HIGH TENSION / EXTRA HIGH TENSION SUPPLY**

- (i) In case of applications where there is a need to erect a new HT line or EHT line from the sub station or extend the existing HT or EHT line or strengthening of existing HT or EHT line in order to extend supply to the applicants, the Distribution Licensee, on its own in case of HT, and in co-ordination with Transmission Licensee in case of EHT, shall prepare an estimate of the cost of aforementioned work including the cost of terminal and metering arrangements at the premises of the consumer, but not including the cost of meter. Such estimate shall be based on the latest cost data as published by the Distribution Licensee and/or Transmission Licensee.
  
- (ii) In case of applications where there is a need to erect a new sub-station for extending supply to the applicant, the Distribution Licensee, on its own or in co-ordination with Transmission Licensee, shall prepare an estimate of the cost of the necessary works in the same way as indicated in sub-clause 4.2 (i) above. In cases of applications when the capacity of existing substation is required to be augmented, the differential cost of existing and new such electrical plant will form the basis of calculation of pro-rata charges. The estimate of the cost of such substation shall be based on the latest cost data as published by the Distribution Licensee and/or the Transmission Licensee.

## **CHAPTER - VI**

## **6. STANDARD COST DATA**

- (i) The Distribution licensee and the Transmission Licensee shall prepare a cost data book covering broad specifications of various items and materials as well as man-hours of various categories of labour needed for providing any electric line or electrical plant used for the purpose of giving supply of electricity based on the actual cost data of the financial year immediately preceding the year in which the estimate is to be prepared.
- (ii) The cost data book can include supervision charges at 15% of the total cost of materials and labour.
- (iii) The cost data book shall specify the methodology of preparing the estimates.
- (iv) The cost data book shall be the basis of making the initial estimate for laying of electric line and/or erection of electrical plant for extending supply to the applicant.
- (v) The Distribution Licensee and the STU/Transmission Licensee shall publish such cost data book and make available its copies to the general public on demand at a reasonable charge.

## CHAPTER VII

### 7. MANNER OF ACCOUNTING AND ADJUSTMENTS

- (i) Before taking up the laying of electric line, erection of electrical plant and creating any other facilities required for extending supply to the applicant seeking new connection, the licensee shall estimate the charges for the same. Free length up to 30 meters of service line will be provided in all cases.
- (ii) Each applicant will be given such estimate. The applicant shall deposit the amount of estimate with the Distribution Licensee before the commencement of the work.
- (iii) After the deposit has been duly made, the work shall be completed within the time-frame as mentioned in Standard of Performance of Licensee issued separately by the Commission.
- (iv) The amount deposited by the Applicant shall be subsequently adjusted, on completion of the work on the basis of actual cost plus supervision charges at 15% of the total cost of the materials and labour.
- (v) 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 recovery of excess expenditure or refunds of any savings in relation to the initial estimate. If the estimate is given on fixed cost basis as provided in second para of Clause 4.1, it will not be necessary to make the adjustment of the amount deposited by the applicant on completion of the work on the basis of actual cost.
- (vi) The balance amount, if any, shall be refunded to the Consumer by way of adjustment in the electricity bill. The Consumer shall be given the detailed bill showing the details of item-wise estimation and actual expenditure along with item-wise figures

of variance to the extent possible. Further, if Applicant seeks further information, the Distribution Licensee shall furnish the same or state the reasons for not furnishing the same within 10 days of receipt of such request.

- (vii) Any expenditure incurred in excess of the amount deposited by the Applicant shall be paid by the Applicant within fifteen days of demand.
- (viii) After the payment of deposit as aforesaid and before the completion of work, if the Applicant declines to take the supply, the deposit shall be refunded after deducting there-from, actual cost incurred plus 10% of amount of estimate or Rs.20,000/- in case of LT/HT and Rs.50,000/- in case of EHT applicants whichever is less.

However, if the Applicant withdraws before starting the work of laying of electric line, erection of electrical plant and creating any other facilities for extending supply to the applicant seeking new connection, total amount after deducting 5% of amount of estimate or Rs.5,000/- whichever is less, shall be refunded by the Licensee to the Applicant.

- (ix) If the work is to be done by the developer or the applicant, Licensee shall charge 15% of the estimate as supervision charges to be deposited before work begins. In other cases, Licensee shall commence the work after the applicant has deposited the full amount of the estimate.
- (x) If a Consumer desires to have the route of the existing Service Line altered, the Distribution Licensee shall carry out the work and charge the cost plus 15 per cent thereon (towards supervision charges) from the Consumer for additional materials and labour used.

- (xi) Service lines for temporary supplies shall be laid by the Distribution Licensee wherever possible and the actual cost incurred in laying and removing such service lines after giving due credit for the materials received back; on the basis of the condition of the same and the labour employed plus 15 percent supervision charges on the cost of materials and labour employed shall be paid by the Consumer. No interest will be paid on deposits lodged against the cost of Service Line or bills for temporary Supply, as the account is of temporary nature.
- (xii) The Consumer shall deposit the estimated cost for Service Lines for temporary supplies before commencement of work, which shall be adjusted against actual expenses incurred after the Service Line has been removed.
- (xiii) Where any difference or dispute arises regarding the estimate of laying of electric line, erection of electrical plant and creating any other facilities for extending supply to the applicant, the matter shall be dealt with in the manner provided in the Standards of Performance read with the GERC Regulations for the Establishment of Forum for Redressal of Grievances of Consumers and the GERC Regulations for the Establishment of Ombudsman.
- (xiv) The Distribution licensee shall account, under appropriate account heads, all charges recovered by him for laying of electric line and erection of electrical plant and creating any other facilities for extending supply to the applicant seeking new connection. The amount so recovered shall be deducted from the Gross Fixed Assets to arrive at the value of Net Fixed Assets of the Licensee's business.
- (xv) The amount recovered from the applicant towards expenses incurred in providing electric line or electrical plant or other facilities for the purpose of giving the supply shall not constitute

part of equity capital base of the Distribution Licensee for calculation of Returns from the business.

- (xvi) No depreciation to the extent of the amount recovered from the applicant towards expenses incurred in providing electric line or electrical plant or other facilities for the purpose of giving the supply may be included in the tariff calculations.
- (xvii) The accounting and auditing procedure should incorporate sufficient safeguard for avoidance of double counting or duplication of charges.

## **CHAPTER- VIII**

### **8. MISCELLANEOUS CHARGES:**

- (i) Subject to the provisions of the Act and these Regulations and subject to such directions, orders or guidelines the Commission may issue from time to time, every Distribution Licensee is authorized to recover any expenses to be borne by the Distribution Licensee in rendering following services to new or existing consumers.
- (ii) All the charges proposed below in **8.1** and **8.2** are payable in advance.

### **8.1 PRE-SERVICE CONNECTION CHARGES**

#### **A. REGISTRATION CHARGES (NON REFUNDABLE) :**

The following registration charges would apply to new service connection:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Charges</b>
i	Single phase supply for Residential.	Rs.40.00

ii	Three phase supply for Residential.	Rs.100.00
iii	Single phase supply and Three phase supply for commercial	Rs.100.00
iv	Three phase supply for LT Agricultural	Rs.200.00
v	Three phase supply for LT Industrial	Rs.400.00
vi	HT and EHT supply (Applicable to demand applied for)	Rs.10 per KVA with a ceiling of Rs.25000.00
vii	All other Categories not enumerated above	Rs.100.00

**Note:** Above registration charges would also apply to temporary supplies

**B. RE-ESTIMATE CHARGES:**

Any revision in the estimate done at the instance of the consumer shall attract extra charges as under:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Charges</b>
I	LT services	Rs. 20/-
ii	HT and EHT services	Rs. 200/-

**C. TEST REPORT CHARGE FOR ALL CATEGORIES Rs. 20/-**

**D. TESTING OF INSTALLATIONS:**

(i) The test and inspection prior to connection of an installation for permanent supply shall be carried out free of charge but should further test and inspection be found necessary, the charge for such test and/or inspection shall be **Rs. 50**

(ii) Charges for the initial inspection and subsequent test and connection of a temporary installation

**Rs. 100**



## 8.2 POST SERVICE CONNECTION CHARGES

### A. REGISTRATION CHARGES (NON-REFUNDABLE)

The following registration charges would apply to addition/ reduction of load and also to cases where a consumer applies for shifting of the connection in the same premises.

<b>Sr. No.</b>	<b>Particulars</b>	<b>Charges</b>
i	Single phase supply for Residential.	Rs.40.00
ii	Three phase supply for Residential.	Rs.100.00
iii	Single phase supply and Three phase supply for commercial	Rs.100.00
iv	Three phase supply for LT Agricultural	Rs.200.00
v	Three phase supply for LT Industrial	Rs.400.00
vi	HT and EHT supply (Applicable to demand applied for)	Rs.10 per KVA with a ceiling of Rs. 25000.00
vii	All other Categories not enumerated above	Rs.100.00
viii	Reduction in demand of HT and EHT supply	Rs. 10 per KVA (Applicable to quantum of demand reduced) with a ceiling of Rs.2000

Note: Above registration charges would also apply to temporary supplies

### B. REGISTRATION CHARGES FOR CHANGE OF NAME AND TRANSFER OF AGREEMENT:

The application for change of name of existing service and transfer of benefits of agreement executed by the consumer with the supplier for power

supply shall be accompanied by non-refundable registration charges as specified below:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Charges</b>
i	Single phase supply for Residential.	Rs.20.00
ii	Single phase supply for commercial and Three phase supply for Residential	Rs.100.00
iii	Three phase supply for LT Agricultural	Rs.300.00
iv	Three phase supply for LT Industrial and others	Rs.400.00
v	HT and EHT supply	Rs.2000.00

### **C. RECONNECTION / DISCONNECTION CHARGES**

#### **RECONNECTION CHARGES:**

<b>Sr No.</b>	<b>Particulars</b>	<b>Charges</b>
i	Residential	Rs. 100.00
ii	Commercial	Rs. 200.00
iii	LT Agricultural	Rs. 200.00
iv	LT Industrial & others	Rs. 900.00
v	HT and EHT supply	Rs. 3200.00

#### **Note:**

If the staff of the supplier is unable to obtain access to the meter or service cut-outs for disconnecting, and the disconnection has to be made from the mains, either underground or overhead, the consumer shall have to pay all costs incidental to such disconnection and reconnection

#### **DISCONNECTION AT CONSUMER REQUEST:**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Charges</b>
i	Residential	50.00
ii	Commercial	100.00
iii	LT Agricultural	100.00
iv	LT Industrial & others	500.00
v	HT and EHT supply	1500.00

**D. METER CHARGES:  
FOR PERMANENT SUPPLY:**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Charges</b>
1.	Hire of single-phase meter	Rs. 10/- per meter/ month.
2.	Hire of Three phase meter	Rs. 30/- per meter/ month
3.	Hire of demand meter or special type of meter for LT consumer	Rs. 225/- per meter/ month.
4.	Hire of time switch with or without KWH meter	Rs. 225/- per time switch /month.
5.	Hire of HT/EHT metering equipments	Rs. 750/- per meter/ month.

**FOR TEMPORARY SUPPLY:**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Charges</b>

1	Hire of single-phase meter	Rs. 15/- per meter/ month.
2	Hire of poly phase meter (3 phase)	Rs. 60/- per meter/ month
3	Hire of HT/EHT metering equipments	Rs.1500/- per meter/ month.

**Note:**

For the first month of service connection, the meter charge will be proportionate to the number of days in the month for which electricity is supplied. For the month in which the meter is removed on or after disconnection of a service and/or installed afresh on reconnection, the meter charge will be proportionate to the number of days in the month during which the meter remains on the premises of the consumer. Such proportionate charges will be rounded to the nearest 50 Ps.

**E. OTHER CHARGES**

Particulars	Charges
(a) Charges for attendance of fuseman where the failure of supply is due to a fault in the consumer's installation	1) For Low Tension consumers Rs. 10/- 2) For High Tension consumers Rs. 10/- for replacement of fuse on single phase. Rs. 15/- for replacement of fuse on two phases. Rs.20/- for replacement of fuse on three phases.
(b) Charges for attendance of fuseman at consumer's premises during any function: (per person per shift)	Rs. 500/-
(c) Charges for resealing of seals other than meter seals which have been disturbed unauthorizedly	Rs. 100/-
(d) Charges for resealing of meter seals, disturbed Unauthorziedly (i) In case of residential service (ii) In case of service other than residential	Rs. 50/- Rs. 200/-
(e) Changing or moving a meter board	Actual cost plus 15%
(f) Testing meter(all type of meters), if it should be proved to be correct within the limits laid down by the Standards/Rules (i) Single phase meter (ii) Three phase meter (iii) Maximum Demand meter (LT)	Rs.100/- Rs.300/- Rs.500/-

(iv) Maximum Demand meter (HT/EHT)	Rs.1000/-
NOTE: The supplier shall not accept any responsibility whatsoever for the satisfactory and correct running of the consumer's meter after he has taken delivery thereof subsequent to the test.	
(g) Installing a meter for each other class of supply required after the initial connection of the installation for any other purpose or changing a meter for one of a different size when necessitated by a change in consumer's demand  (the fee does not include the provision of a meter board) per meter	Rs. 100/-
(h) CT/PT Testing charges	
(i) CT Testing (LT)	Rs. 100/-
(ii) CT/PT unit (HT/EHT)	Rs. 500/-

#### **F. CHARGES FOR MISCELLANEOUS WORK**

The charges payable in advance for any work which the supplier may undertake for the consumer and which is not included in the foregoing schedule shall be at the actual cost of labour and materials plus 15% to cover overhead charges. Estimates will be submitted when necessary. The charges payable in advance for any work which the supplier may undertake on behalf of the consumer as an agency work, shall be the actual cost of labour and materials plus 15% to cover overhead charges. The estimates will be submitted accordingly.

#### **9. POWER TO REMOVE DIFFICULTIES**

- (i) In case of any difficulty in giving effect to any of the provisions of these Regulations, the Commission may by general or special order, take or direct the licensee to take suitable action, not being inconsistent with the provisions of Electricity Act, 2003, which appears to the Commission to be necessary or expedient for the purpose of removing the difficulty.
- (ii) The licensee may make an application to the Commission and seek suitable orders to remove any difficulties that may arise in implementation of these regulations.

#### **10. ISSUE OF ORDERS AND GUIDELINES**

Subject to the provisions of the Electricity Act, 2003 and these Regulations, the Commission may, from time to time, issue orders and guidelines with regard to the implementation of the regulations and procedures to be followed.

#### **11. POWER TO AMEND:**

The Commission may from time to time add, vary, alter, modify or amend any provisions of these regulations as and when need arises.

**P. S. SHAH  
SECRETARY**

AHMEDABAD  
31<sup>ST</sup> March 2005