

KARNATAKA ELECTRICITY REGULATORY COMMISSION

Notification no.Y/01/4 dated 12-11-2004

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KERC (Recovery of Expenditure for Supply of Electricity) Regulations 2004

Preamble:

Whereas, Section 46 of the Electricity Act, 2003 empowers the State Commission to authorize by way of regulations, a Distribution Licensee to charge from a person requiring a supply of electricity in pursuance of Section 43, any expenses reasonably incurred in providing any electrical line or plant used for the purpose of giving supply. The Commission by virtue of the said powers, read with Section 181 of the Act makes the following regulations:

CHAPTER-I

General

1. Short title, Commencement and Interpretation:

- a. These regulations shall be called KERC (Recovery of Expenditure for Supply of Electricity) Regulations 2004.
- b. They shall come into force with effect from the date of notification in the Gazette of Karnataka.
- c. These Regulations shall be applicable to all Distribution Licensees in their respective licensed areas, in the State of Karnataka.

CHAPTER-II

2. Definitions

- (a) "**Act**" means Electricity Act, 2003 (36 of 2003);
- (b) "**Applicant**" means a person who is the owner or occupier of any premises who has registered his application with the Distribution Licensee for supply of electricity.
- (c) "**Commission**" means the Karnataka Electricity Regulatory Commission.

- (d) **“Distribution Licensee”** means a licensee authorized to operate and maintain a distribution system for supplying electricity to the consumers in his area of supply.
- (e) **“Distribution Main”** means the portion of any main with which a service line is, or is intended to be, immediately connected.
- (f) **“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.
- (g) **“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.
- (h) **“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.
- (i) **“Extra High Tension (EHT)”** means supply voltages above 33000 volts.
- (j) **“High Tension (HT)”** means supply voltages of more than 650 volts and upto and inclusive of 33000 volts.
- (k) **“KER Act”** means Karnataka Electricity Reform Act 1999 (No.25 of 1999).)
- (l) **“kV”** means Kilo Volts.
- (m) **“Low Tension (LT)”** means supply voltages of 650 volts and below.

- (n) "**Point of commencement of supply**" means the outgoing terminals of the Licensee's cutouts fixed in the premises of the consumer in case of LT installations and the outgoing terminals of the Licensee's metering cubicle placed before any consumer's apparatus in case of HT installations.
- (o) "**Premises**" includes any land ,building or structure.
- (p) "**Schedule of Rates (S.R.)**" means the schedule of rates prepared and published by the Distribution Licensee periodically.
- (q) "**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.

Words and expressions which are not defined in these Regulations shall have the same meaning as assigned in the Electricity Act, 2003 and K. E. R. Act1999. In case of any inconsistency between KER Act and the Act, the meaning assigned to them in the Act shall prevail.

CHAPTER III

3.1 Provision for Low Tension supply except for layouts

- 3.1.1 For providing power supply to the Applicant under the LT category, for each installation, the Distribution Licensee shall recover the expenditure towards the cost of electric line/plant up to point of connection as follows from the Applicant:

(Note: For the purpose of clause 3.1.1, the point of connection means a terminal pole carrying LT/HT line and is situated within 30 meters outside the premises of the applicant.)

A) For loads less than 25 KW in respect of domestic and commercial installations:

Sl. No.	Requisitioned Load	Recoverable amount
i	Upto and inclusive of 3 KW	NIL
ii.	Above 3 KW upto and inclusive of 15 kW	Rs. 650 per kW for loads above 3 KW
iii.	Above 15 kW and less than 25 kW	Rs. 7800 plus Rs. 1300 per kW for loads above 15 Kw

Note:

- (a) The maximum limit of requisitioned load shall be less than 100 KW in case of domestic or commercial loads. In case the requisitioned load is 25 KW and above, sub-clause no. 3.1.5 of these regulations shall be applicable.

B) For loads less than 50 KW in respect of industrial installations:

Sl. No.	Requisitioned Load	Recoverable amount
i	Upto and inclusive of 3KW	NIL
ii.	Above 3 KW and upto and inclusive of 15 kW	Rs. 650 per kW for loads above 3 KW
iii.	Above 15 kW and Upto and inclusive of 25 kW	Rs. 7800 plus Rs. 1300 per kW for loads above 15 Kw
iv	Above 25 kW but less than 50 KW.	Rs. 20800 plus Rs. 1950 per kW for loads above 25 kW

Note (Applicable to A & B above):

- (a) Fraction of KW shall be rounded off to next higher KW.
(b) In case of industrial load, the maximum requisitioned load shall be less than 50 KW.
(c) In addition to the above charges an additional amount of Rs.1000/kW for loads above 3 KWs shall be collected in Bangalore (BMP and BDA areas) towards HT/LT UG cable system.

(d) The above charges shall not be applicable to street lights, LT water supply and IP sets that are covered under separate provisions in these regulations.

(e) Where additional loads are requisitioned for existing installations, the cost towards electric line/plant for the total load (existing +additional load) may be calculated according to the above table at appropriate slab rate and deduction allowed for any cost towards electric line/plant/service line paid previously.

The additional amount of Rs.1000/- per KW applicable for Bangalore urban area (BMP and BDA areas) towards HT/LT UG cable system shall be collected in case of existing installations for the additional load sought for.

3.1.2 The Distribution Licensee shall execute all the works necessary for providing power supply including providing electric line/plant, up to and including terminal pole as may be required, duly collecting the amount specified in sub- clause 3.1.1 above.

Provided the Applicant opts for executing the work of extension of electric line/plant on his own as per the estimate, standard drawings and specifications of the Licensee, the same shall be granted. In such cases the Applicant shall pay supervision charges at 10% of estimated cost of the work for extending the supply, to the Licensee. Wherever Applicant carries out the work by himself at his own cost, the Licensee shall not collect the charges specified in sub-clause 3.1.1 above.

3.1.3 The Applicant shall execute at his cost the LT service line from the terminal pole outside his premises to the point of commencement of supply in his premises through appropriate class of licensed electrical contractor.

3.1.4 The Distribution Licensee shall provide the supply within the time frame as specified in KERC (Duty to Supply) Regulations 2004.

3.1.5 Where the requisitioned load is 25 kW or more or built up area in the premises of the Applicant exceeds 500 sq. metres, the Applicant shall provide the required space in his premises and also provide at his own cost electric line, distribution transformer and associated equipments. The transformer so provided by the Applicant shall be dedicated to the premises of such applicant. The details of space to be provided by the Applicant are as follows:-

(a) An electrical room with RCC roof having clear floor area of 5 metres X 4 metres with a vertical clearance of 2.75 meters with locking facility , exhaust fans and adequate size of cable duct , shall be provided at the ground floor within the Applicant's premises nearer to the main entrance for installing floor mounted distribution transformer and associated switchgear or

- (b) A clear space of 3 metresX 5 metres open to the sky shall be provided within the Applicant's premises preferably at the main entrance for installing structure mounted distribution transformer and switchgear .

Note :(1) If space is not provided by the Applicant, he is not entitled to get power supply.

(2) For car parking area, external staircase area and balcony area, 50% of the area shall be taken for calculating the built up area.

(3) Water tank area and Chajja projection area shall not be considered for calculating the built up area.

(4) In case the sanctioned plan indicates two or more buildings in the same premises, they shall be clubbed together to calculate built up area.

(5) Sub-section 3.1.5 is not applicable to Educational Institutions, Govt. Hospitals, Govt. Guest Houses, Hospitals of Charitable Institutions, Students' Hostels, Multistoried Buildings of slum dwellers and LT industries. However, they shall be liable to pay cost towards electric line/plant at the rates specified in clause 3.1.1 (A). In case the load is 25 kw and above, the cost towards electric line/plant payable is Rs.20,800 plus Rs.1950/kw for loads above 25 kw.

(6) In case of following installations, clause no. 3.1.5 is not applicable if the requisitioned load is less than 25 KW irrespective of built up area:-

Buildings of Govt. offices (Govt. owned), Godowns, Kalamandiras, Samudaya Bhavanas, Theatres of Film Societies, Art Galleries, Auditoriums and charitable/religious institutions Registered under section 12-A of Income Tax Act, Temples, Mosques, Churches, Gurudwaras and other places of worship, Youth centers and Vocational centers. However if the requisitioned load is 25 kw and above, clause 3.1.5 shall be applicable.

3.1.6 Where any extension of electric line and / or erection of electric plant is required within the premises of the Applicant, the Applicant shall execute such works at his own cost through appropriate class of licensed electrical contractor.

3.1.7 The above sub clause 3.1.5 is applicable to existing consumers seeking additional loads ,where addition of such loads makes the total load to be 25 kW or above. Sub-clause 3.1.5 is also applicable to existing consumers when their total built up area exceeds 500 sq. metres. In such cases, the consumer shall provide space for the transformer as noted under sub-clause 3.1.5 and install the transformer at his own cost.

- Note :1) If space is not provided by the Applicant, he is not entitled to get additional power supply.
- 2) The additional amount of Rs.1000/- per KW applicable for Bangalore urban area (BMP and BDA areas) towards HT/LT UG cable system shall be collected in case of existing installations for the additional load sought for.

3.2 Provision for Low Tension supply for layouts

3.2.1 In case of layouts approved by competent authority, the developer shall execute at his cost the electric line/plant such as extension works including extension of 11KV line, transformer, LT lines etc., but excluding improvement/augmentation works in the station and/ or works of strengthening of the distribution main, subject to the condition that:

- i) Supervision charges shall be paid to the Distribution Licensee at 10% of the estimated cost of the work.
- ii) The works shall be carried out through appropriate class of licensed electrical contractor and as per the estimate, standard specifications and drawings prepared by the Distribution Licensee based on Schedule of Rates.
- iii) The developer shall execute an agreement on stamp paper of required denomination, affirming his consent to maintain the lines and transformer centers erected in the layout till 25% of the applicants avail power supply to the houses in the layout. After the completion of works satisfactorily by the developer and after a minimum of 25% of the applicants avail power supply in the layout, the entire Distribution System along with the transformer(s) shall be taken over by the Distribution Licensee, without payment of any charges for the purpose of maintenance.
- iv) Guarantee shall be given by the developer for a period of one year for the materials used in the works as well as for the quality of work carried out, from the date of taking over of the Distribution System and transformer(s) by the Distribution Licensee.
- v) Provisions of clause no. 3.1 of these regulations is applicable to the Applicants under domestic/commercial/industrial categories.

- 3.2.2 In case of sites/houses granted to economically/ socially weaker sections under any scheme sanctioned by Government of Karnataka or Government of India, the Distribution Licensee shall recover Rs. 2000/- per site from the applicant or GoK or GOI or person in charge of the scheme and arrange for power supply. Alternately the cost of electrification of such layouts shall be budgeted in the scheme itself and paid to the licensee.
- 3.2.3 In case of layouts where there is a default on the part of the developer and where the developer has not laid the electric line/plant within the layout, the Distribution Licensee shall recover expenditure towards electric line/plant as follows:
- (i) For sites coming in the areas of Bangalore Mahanagarapalike, B.D.A. and its agglomeration area and also in the areas of city corporation and its agglomeration areas of Mysore, Mangalore, Hubli, Gulbarga and Belgaum.
 - (ii)
 - (a) For sites having dimension of 1200 sq.ft & less, Rs 4,000/- per KW of requisitioned load subject to a minimum of Rs 4000/- per site
 - (b) For sites having dimension of more than 1200 sq.ft, Rs 4000/- per KW of requisitioned load subject to a minimum of Rs 12000/- per site.
 - (ii) For sites coming in other urban areas within the Town limits identified by local / development authority, Rs.4,000/- per KW of requisitioned load per site subject to a minimum of Rs.4,000/- per site. `
 - (iii) For sites coming beyond the Town limits in the layouts other than those referred in sub-clause 3.2.3 (i) & (ii), Rs.3,000/- per KW of requisitioned load per site subject to a minimum of Rs.3, 000/- per site.
- 3.2.4 In case of layouts/buildings requiring power supply and the requisitioned load is more than 7500 kVA, the developer/Applicant shall provide the space for erection of sub-station and also bear the entire charges of such a substation and associated lines/equipments. The work shall be carried out either by the Licensee duly recovering the charges as per estimate or by the Applicant himself through appropriate class of licensed contractor by paying 10% of the estimate as supervision charges to the Licensee.

3.3 Provision for IP sets:

The power supply to irrigation pump sets shall be arranged as per the policy of GoK from time to time.

3.4 Provision for LT water supply

The cost of electrification of LT water supply installations shall be included in the water supply scheme itself. The Licensee shall prepare the estimate and collect the estimated amount from the Applicant. In case the Applicant for such supply desires to carry out the work by himself, the licensee shall allow the applicant to carry out the work duly collecting 10% of the cost of electrification as supervision charges.

3.5 Provision for street lights

In public places and notified areas belonging to development authorities/trust boards/municipal corporations/ city municipalities/KIADB/APMC/Housing boards/villages and town panchayats and such other authorities/bodies, power supply to street lighting (new or additional public lamps) shall be arranged by the licensee after recovering the cost based on the estimates prepared by the licensee as per schedule of rates. In case the Applicant desires to carry out the work by himself, the same shall be permitted duly collecting 10% of estimated cost of electrification as supervision charges.

3.6. Provision for HT/EHT supply:

3.6.1 In case of Applications where there is a need to erect a new HT line/EHT line from the sub station or extend the existing HT/EHT line in order to extend supply to the Applicant, the Distribution Licensee in case of HT, and Distribution Licensee in co-ordination with Transmission Licensee in case of EHT shall prepare an estimate for arranging such power supply corresponding to the Applicant's actual requirement and provide the estimate to the Applicant for arranging payment to the Licensee. However, the estimate shall not include the improvement/augmentation works in the station or works of strengthening the line. However, it includes transformer, HT/EHT line drawn exclusively for the Applicant/s.

3.6.2 The estimate shall be prepared by the licensee based on Schedule of Rates in force.

3.6.3 The work shall be carried out either by the Licensee duly collecting the estimated amount or by the Applicant. In case the Applicant opts for executing the work of extension of electric line/plant on his own as per the estimate, standard drawings and specifications of the Licensee, the same shall be granted. In such cases the Applicant shall pay supervision charges at 10% of

estimated cost of the work for extending the supply, to the Licensee.

- 3.6.4 The improvement/augmentation works in the station or works of strengthening the line shall be carried out by the Licensee under the capital investment programme.
- 3.6.5 The applicant shall stand guarantee for the electric line/plant and works carried out under self-execution for a period of one year for the satisfactory performance from the date of handing over to the Licensee. The Applicant shall hand over to the Distribution Licensee electric line/plant, free of cost for the purpose of maintenance.
- 3.6.6 In case of applications where there is a need to erect a new/augmentation of a substation in order to extend supply to an applicant, the Distribution Licensee in case of HT and in case of EHT, in co-ordination with Transmission Licensee shall carry out the work at respective Licensee's cost under capital expenditure.
- 3.6.7(a) A consumer can avail power supply at voltage levels specified under Model Conditions for lesser loads also.
 (b) If the C.D. is more than 2000 KVA, supply will be arranged depending upon the system network available in the area.
 ©The Licensee can at his discretion supply a higher quantum of power than what is stipulated for a particular classification of supply under Model Conditions by providing adequate capacity lines/plant provided the voltage regulation is within the specified limits duly collecting augmentation charges as noted below.

<i>Contract demand</i>	<i>Supply voltage</i>	<i>Remarks</i>
Above 2,000 KVA up to 7,500 KVA	4.6/11/13.2 KV	Augmentation charges at Rs 5 lakhs per MVA for CD exceeding 2000 KVA shall be collected
Above 7,500 KVA up to 10,000 KVA	33 KV	Augmentation charges at Rs 5 lakhs per MVA for CD exceeding 7,500 KVA shall be collected

CHAPTER IV

4.0 Miscellaneous

4.1.1 Power to remove difficulties

1. The Commission may remove any difficulty in giving effect to any of the provisions of these regulations by general or special order.
2. The licensee/consumer/Applicant may make an application to the Commission and seek suitable orders to remove any difficulties that may arise in implementation of these regulations.

4.1.2 Issue of orders and practice directions

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

4.1.3 Power to amend:

The Commission may at any time add, vary, alter, modify or amend any provisions of these regulations.

By Order,

**Secretary,
Karnataka Electricity Regulatory Commission**