

**KARNATAKA ELECTRICITY REGULATORY COMMISSION
BANGALORE**

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KERC (Electricity Supply) Code, 2004

Preamble

Where as the Electricity Supply Act, 2003 provides that the Commission shall specify a Supply Code to be adopted by the Licensees. Section 50 of the Act specifies that the supply code shall provide for (1) recovery of electricity charges, (2) intervals for billing of electricity charges, (3) disconnection of electricity for non-payment thereof, (4) restoration of supply of electricity, (5) tampering, distress or damage to electrical plant, electric lines or meter, (6) entry of Licensee or any other authorised person for disconnecting supply and removing the meter (7) entry for replacing, altering or maintaining electric lines or electrical plant or meter etc., Sub clause (zp) to Section 181 (2) provides that the Commission may specify any other matter which is to be specified. In exercise of the powers conferred under the above, Karnataka Electricity Regulatory Commission prepared this draft Electricity Supply Code to give effect to the matters specified U/S 50 of Electricity Act, 2003. .

1. Short Title, Commencement and extent:

These Regulations may be called Karnataka Electricity Regulatory Commission (Electricity Supply) Code, 2004.

They shall come into force from such date as may be notified by the Commission

They shall apply to the State of Karnataka

2. Definitions

2.1 "Act" means The Electricity Act, 2003 (Act 36 of 2003)

2.2 "Additional Surcharge" means surcharge determined by the Commission under Section 42(4) of the Act

2.3 "Agreement" means an agreement specified in the Model Conditions of Supply approved by the Commission and entered into between the Licensee and Consumer for the services including supply of electricity by the Licensee to such Consumer

- 2.4 "Area of Supply" means the geographic area in which a Licensee is authorised to supply electricity.
- 2.5 "Bill Date" means the date on which bill is Issued which shall not be later than 4 days from the meter reading date
- 2.6 "Billing period" means period between two consecutive meter reading dates
- 2.7 "Code" means KERC (Electricity Supply) Code, 2004
- 2.8 "Commission" means Karnataka Electricity Regulatory Commission
- 2.9 "Consumer" means any person who is supplied with electricity **for his own use** by a licensee or the Government or by any other person engaged in the business of supplying electricity to the public under this Act or any other law for the time being in force and includes any person whose premises are for the time being connected for the purpose of receiving electricity with the works of a licensee, the Government or such other person, as the case may be;
- 2.10 "Charges" means the tariff as approved by the Commission from time to time.
- 2.11 "Due date" means fifteen (15) days from the bill date
- 2.12 "Licence" means a licence granted under section 14.
- 2.13 "Licensee" means a person who has been granted a licence under section 14 of the Act and includes a deemed licensee under the Act.
- 2.14 "Meter reading date" the date fixed for meter reading by the Licensee under this regulation.
- 2.15 "Occupier" means the owner or person in occupation of the premises where the licensee is providing/intends to provide electricity supply;
- 2.16 "Ombudsman" means the authority created in pursuance of the Section 42(6) of the Act.
- 2.17 "Premises" includes any land, building or structure;
- 2.18 "Surcharge" means surcharge as determined by the Commission under Sections 39(2)(d)(ii), 40(c)(ii), and 42(2) of the Act.
- 2.19 "Tariff" means a schedule of standard prices or charges for specified services which are applicable to all such specified services provided to the type of consumers as determined by the Commission..
- 2.20 "Wheeling Charges" means charges for wheeling of electricity as determined by the Commission;

The words or expressions in this Code which are not defined herein shall have the same meaning as in the Act or Karnataka Electricity Reform Act, 1999. In case of any inconsistency, the meaning in the Act shall prevail.

3. Recovery of Charges for supply

3.1 The Licensee shall charge a consumer tariff for supply of electricity as approved by the Commission from time to time.

3.2 The Licensee is entitled to charge a consumer the following:

- a) Tariff for the supply of electricity as determined by the Commission
- b) taxes and duties as notified by the Government
- c) In the case of consumers availing supply of electricity under open access, wheeling charge and/or surcharge and additional surcharge applicable as may be determined by the Commission.
- c) Other charges such as penal charges for exceeding sanctioned/ contract demand, interest on belated payments and other charges as may be applicable and as approved by the Commission time to time.

3.3 in the case where more than one Distribution Licensee operates in the same area of supply, notwithstanding clause 3.2 (a) above,, the Licensee may recover such tariff as he considers appropriate subject to the maximum ceiling of tariff fixed by the Commission for retail sale of electricity. .

3.1 Clarifications, if any, sought by a consumer on the tariff applicable to him shall be provided by the Licensee promptly.

3.2 On request by a consumer, the Licensee shall provide a copy of the tariff applicable to the consumer by collecting the cost.

3.3 The Licensee shall from time to time furnish the schedule of Charges such as service line charges and other charges applicable to each consumer category for approval of the Commission. The schedule of charges shall be part of the Model conditions of supply and any change thereto shall be made effective only after the approval of the Commission.

4. Billing procedures

4.1 The Licensee shall issue a bill to each consumer for the electricity and/or other services rendered, at the consumer's address, at such periodic intervals as may be determined and notified by the Licensee.

- 4.2 The bill shall be issued by any of the following means:
- b. Delivery by hand
 - c. By post or courier
 - d. By electronic means capable of generating a delivery confirmation report, if agreed to by the Consumer;
- 4.3 The consumer shall be notified the periodicity of billing, date of meter reading, bill date and due date for payment in a calendar month. The Licensee shall adhere to the schedule of prescribed meter reading date and bill date.
- 4.4 The bill issued by the Licensee shall be legible and easily verifiable by the Consumer.
- 4.5 Basis of the bill, unless otherwise provided, shall be the meter reading. If meter is not provided to a consumer (unmetered categories), the Licensee shall prepare the bill based on the procedures approved by the Commission.
- 4.6 For reasons other than those referred to in clause 5, if the Licensee is unable to base a bill on meter reading due to its non-recording, the Licensee shall issue a bill based on the previous 6 months average consumption. In such cases, the Licensee shall replace the meter immediately.
- 4.7 In case the Licensee is unable to read the meter for any other reasons, (door lock, etc.,) the Licensee may provide the consumer with an estimated bill following the procedure under clause 4.6. The Licensee shall subsequently read the meter in the next billing cycle and appropriately adjust the bill in accordance with the meter reading
- 4.8** The bill shall be issued within 4 days from the meter reading date and the bill date shall not be more than 4 days from the meter reading date. In the case of spot billing, meter reading and bill date shall be the same.
- 4.9 The Licensee shall provide and maintain with the consumer a meter card for recording the meter reading. The Licensee shall record the meter reading and date of reading in the meter card provided to the consumer.
- 4.10 The consumer shall inform the concerned local office of the Licensee if the bill is not received within 7 days of specified meter reading date. The Licensee shall take necessary steps to issue duplicate bill immediately free of cost.
- 4.11 In case the Licensee issues a bill which covers a period not consistent with the billing period or a period during which the consumer's tariff changes, the Licensee must charge in proportion to the relevant periods and clearly show the relevant working details on the bill.
- 4.12 In the case of new installations, the Licensee shall issue the first bill within 2 months of service. In case of non-receipt of the bill within 2 months of effecting

supply, the consumer may inform the concerned local office of the Licensee and the Licensee shall arrange to issue the bill immediately.

4.13 The Licensee shall not recover any arrears after a period of 2 years from the date when such sum became first due, unless such sum has been shown continuously in the bill as recoverable as arrears of the charges of electricity supplied.

4.14 After payment of the bill, If it is established that the Licensee has over charged the consumer, the excess amount shall be repaid by the Licensee within two months with interest at bank rate.

4.15 Reading of meter on request:

a) The Licensee shall arrange for special reading of the meter on an application by the owner or the occupier of the premises accompanied with specified fee, in the event of vacation or change of occupancy of the premises.

b) The application shall be given at least 15 days in advance of the said vacation of the premises for arranging the special meter reading.

c) The Licensee shall, after taking the meter reading, issue a final bill in such cases including all arrears till date within 7 days of meter reading.

d) Once a final bill is issued on the basis of special reading of meter, the Licensee shall have no claim for any period prior to the date of such final bill other than the final bill amount.

e) The Licensee may charge a fee for the above service as approved by the Commission.

4.16 Bill issued to a consumer shall contain the following details

a) Name and Address of the consumer, RR No. and address of the issuing office

b) Period covered by bill

c) Type of service and the relevant tariff applicable to the consumer

d) The dates and readings of current and previous meter readings.

e) Present consumption

f) Other billing parameters applicable if any, such as contract demand/ sanctioned load, power factor etc.,

g) Applicable charges: fixed/demand/minimum charges /energy/ taxes/ rebate/ adjustments/ /arrears

h) Net amount payable

- i) Wheeling charges and surcharges if any to be shown separately if the Licensee provides only net work service
 - j) The amount of arrears or credits outstanding to the consumer's account
 - k) Summary of payment methods
 - l) Last date of payment with out penalty
 - m) Details of additional charges such as interest and penalties if any
 - n) Action for non-payment after the due date
 - o) Contact telephone number of Consumer Service Centre of the Licensee if available or any contact telephone number for the consumer to call if they have any queries relating to the bill.
 - p) Designation and address of authorities of the Licensee with whom complaints /grievances of the consumer to be lodged
 - q) Contact details of Consumer Grievance Redressal Forum and Ombudsman constituted u/s 42 of the Act.
- 4.17 The Licensee shall provide the consumer, all information relating to previous billing period, free of charge if requested. If the request pertains to periods prior to the previous billing period, the Licensee may claim reasonable service charges.
- 4.18 Bills payment
- a) The payment of the bill shall be normally made by the consumer at the specified local collection centre of the Licensee during the designated working hours of any working day as specified by the Licensee. The Licensee may also arrange any other facility for payment of bill for the convenience of the consumers.
 - b) The Licensee shall specify its accepted mode of payment of bills and publicise the same for the benefit of consumers.
 - c) The Licensee shall give 15 days time from the bill date for payment of the bill by the consumer.
 - d) If the due date of payment of bill falls on public holidays, the next working day shall be treated as the due date.
 - e) The consumer shall pay the bill in full through any of the means specified by the Licensee.
 - f) The Licensee shall issue a receipt to the consumer for payment as proof of payment.
 - g) In case of dishonour of the payment instruments of the consumer, the Licensee may initiate action for disconnection for non-payment. The

Licensee shall have the right to resort to any other legal proceedings against the consumer in such cases.

- h) If a consumer informs the Licensee of any difficulty in paying the arrears bill in full, the Licensee may offer an installment payment option to the consumer. Grant of installment facility is without prejudice to payment of interest on belated payment.
- i) The Licensee shall have the right to deny an instalment option to a consumer who has defaulted in payment of periodic bills in the previous 12 months.
- j) The Licensee may, after giving not less than 15 clear days notice after the due date, disconnect the supply, if the consumer fails to pay the bill by due date.

4.19 In case of belated payments, interest as approved by the Commission for the actual number of days of delay from the due date may be charged by the Licensee.

4.20 If a consumer wishes to make advance payments towards electricity charges, he shall be allowed to do so by the Licensee and the amount so paid shall be adjusted accordingly against the bills raised subsequently on the consumer. The Licensee may allow incentive if such advance payment is made for 12 or more months.

4.21 The Licensee may adjust the payments made by the consumer in the following order of priority :

- a) Interest on electricity tax arrears
- b) Electricity tax arrears
- c) Interest on electricity charges arrears
- d) Electricity charges arrears
- e) Current month dues

4.22 Disputes in the bills

- a) Any error in the bill shall be rectified by the Licensee within 24 hours if no additional information is required, if approached by the consumer.
- b) On the request of the consumer who disagrees with the bill amount, the Licensee may review the bill within 7 days of the request if additional information is required, as specified in the KERC (Licensee's Standards of Performance), Regulations 2004. In such circumstances the consumer shall deposit a sum equal to the amount as under clause 7.3. before the review.
- c) The Licensee may issue a revised bill and appropriately adjust the bill amount if the review establishes that the bill is incorrect. If in the review it is found that

the consumer was overcharged, the amount overcharged along with interest at bank rate may be adjusted in the subsequent bill or refunded as agreed to by the consumer after the review.

- d) If the Licensee establishes that it has under charged the consumer either by review or otherwise, the Licensee may recover the amount undercharged from the consumer by issuing a bill and in such cases at least 30 days shall be given for the consumer to pay the bill.
- e) While issuing bill under clause 4.24(d), the Licensee
 - 1) shall specify the amount to be recovered as a separate item in the consumer's next bill with details or as a separate bill with details for the amount.
 - 2) shall not charge interest on the amount under charged
 - 3) may allow instalment option
- f) While communicating the decision on the review of the bill, the Licensee shall advise the consumer in writing his right to prefer an appeal against the decision of the Licensee to the Consumer Grievance Redressal Forum and further to the Ombudsman as provided in KERC (Consumer Grievance Redressal Forum and Ombudsman) Regulations 2004.

4.25 If the consumer fails to pay the bill within the due date, the Licensee may charge interest on the bill amount as approved by the Commission.

5. Action for Tampering, distress or damage to electrical plant, electric lines or meter:

- 5.1 A consumer shall provide and maintain sufficient protection to the metering and associated equipments to the satisfaction of the Licensee.
- 5.2 The Licensee shall ensure that all the electricity supply lines and equipments, that are belonging to the Licensee or those under its control in the consumer's premises, are in a safe condition and are fit for supplying electricity. . Further the Licensee shall take precautions to avoid dangers arising on such premises from such supply lines and equipments.
- 5.3 The consumer or the occupant of the premises to whom the Licensee has provided electricity service, shall not tamper or permit tamper, distress or damage to the electrical plant, lines or metering equipment provided by the Licensee.
- 5.4 The Licensee may disconnect supply to the consumer if the consumer is found to have tampered or damaged the electric plant, line or meter of the Licensee during any inspections or otherwise. Such disconnection shall be effected only after issuing a notice in a manner provided under clause 9.

- 5.5 The Licensee shall provide seals or other appropriate security devices in respect of metering equipment to detect the interference and shall maintain a register of all relevant security devices and seals.
- 5.6 If the consumer or the Licensee or other authorized persons discover that the protective seal of the metering equipment has been broken, he shall notify the other party (Licensee or consumer as the case may be) immediately. The Licensee after receiving such notification shall replace the seal on the first occasion of visit and take meter reading.
- 5.7 If it appears to the Licensee that the metering equipment provided for supplying electricity to the consumer are defective, the Licensee shall test the metering equipment and repair or replace the metering equipment as the case may be.
- 5.8 The cost of replacement of metering equipment as mentioned under clause 5.7 shall be borne by the consumer if the Licensee reasonably concludes that such damage to the metering equipment was due to the action of the consumer.
- 5.9** The Licensee may deny reconnection to the consumer if it is established that there are chances of such repeated instances.

6. Entry of Licensee to consumer premises

- 6.1 A Licensee shall ensure that its staff or authorised persons shall contact a consumer only during working hours for normal business purpose, unless the consumer has provided express approval.
- 6.2 While seeking entry into consumers' premises, the Licensee's Staff or authorised person shall always display / produce the proof of identity and shall inform the consumer in writing indicating the reason for his entry into the premises
- 6.3 Subject to clause 6.2, the Licensee or his authorized representative may enter any premises to which electricity is, or has been supplied by him, any premises or land, under, over, along, across, in or upon which the electric supply lines or other works have been lawfully placed by him for the purpose of:
- a) Inspecting, testing, repairing or altering the electric supply lines, meters, fittings, works and apparatus for the supply of electricity
 - b) Ascertaining the amount of electricity supplied or
 - c) Removing connection where a supply of electricity is no longer required, or where the licensee is authorised to take away and cut off such supply, any electric supply lines, meters, fittings, works or apparatus belonging to the licensee.

6.4 A Licensee or any person authorised as aforesaid may also in pursuance of a special order in this behalf made by an Executive Magistrate and after giving not less than twenty four hours notice in writing to the occupier -

- a) Enter any premises or land referred to clause 6.3 for any of the purposes mentioned therein
- b) Enter any premises to which electricity is to be supplied by him for the purpose of examining and testing the electric wires, fittings, works and apparatus belonging to the consumer.

6.5 If a consumer refuses to allow a Licensee or any person authorised to enter his premises in pursuance of clause 6.3 & 6.4, or refuses to allow him to perform any act which he is authorised by those clauses to perform or fails to give reasonable facilities, the Licensee may after expiry of twenty four hours from the service of notice in writing on the consumer, disconnect the supply to the consumer till such refusal or failure continues but no longer.

7. Disconnection of supply by Licensee

7.1 The Licensee shall not disconnect supply to a consumer except in the following circumstances:

- a) At the Request of the Consumer
- b) Mandated the Licensee to do so by a person with legal authority to issue such mandate
- c) When the Licensee is entitled to do so under an agreement with the consumer
- d) The Licensee reasonably believes that the consumer has contravened the provisions of the Code which entitles the Licensee to disconnect the supply
- e) The Licensee reasonably believes that failure to disconnect may or likely to cause a health hazard or safety risk or damage to property or to the consumer or to any person;
- f) The Licensee reasonably believes that the consumers' installation does not satisfy the applicable rules or any other reasonable requirements prescribed by the Licensee.
- g) Reasonably knows that security deposit provided by the consumer has become insufficient or the consumer fails to provide security deposit as provided in the appropriate Regulations.
- h) Non payment Under clause 4.18),

- i) *Tampering, distress or damage to electric plant, electric line or meter under clause 5.4 and/or as provided under clause 6.5*

7.2 Before effecting disconnection under clause 7.1(b) to 7.1 (i), due notice under the manner provided in clause 9 shall be given to the consumer by the Licensee

7.3 The Licensee shall not disconnect the supply to the consumer under clause 7.1(h), if the consumer deposits under protest an amount equal to the sum claimed from him or the electricity charges due from him calculated based on the average of past 6 months, which ever is less, pending disposal of any dispute between him and the Licensee as provided in proviso to **Section 56(1) of the Act** .

8. Reconnection of supply

8.1 If the disconnection is under clauses 7.1(g) and 7.1(h), and the consumer has settled the dues with the Licensee, the Licensee shall reconnect the consumer within the time stipulated under KEREC (Standards of Performance) Regulation 2004.

8.2 The Licensee shall immediately reconnect the consumer if the Licensee reasonably believes that omissions and commissions which led to the disconnection of the consumer under clause 7.1(e) and 7.1(f) stand duly remedied.

8.3 The Licensee may charge a consumer a fee for reconnection as provided under the approved schedule of charges

9. Notice to the consumer

9.1 A Licensee shall ensure that the notices issued under this Code to a consumer are in accordance with the Code and :

- a) In writing and are expressed in plain language either in Kannada or in English
- b) Specify the reason for the notice and likely action by the Licensee
- c) Request the consumer to contact the local office of the Licensee if required

9.2 Any notice to the Consumer under this Code by the Licensee shall be served in any of the following manner

- a) Sent by registered post, under certificate of posting, by courier or other similar means or

- b) Delivered by hand to the person residing at the consumers address
- c) Affixed at a conspicuous part of such premises in case there is no person to whom the same can, with reasonable diligence, be delivered.

9.3 If the notice is under clause 4.18(j), the Licensee shall

- a) Specify that the consumer has defaulted the payment by the due date
- b) notify the consumer that failure to pay the amount due will entitle the Licensee to disconnect or restrict the supply of Services to the Premises;
- c) Outline the availability of payment options under clause 4.18(b)
- d) outline the installment option under clause 4.18(h) if applicable

10. Review of the Code

The Commission may if found necessary constitute an expert panel consisting of representatives of consumer organisations, senior officials of the Licensee and persons representing the Commission to review and suggest changes required if any in the Code. The Commission may at its discretion accept or reject the suggestions of the panel.

11. Power to remove difficulties:

If any difficulty arises in giving effect to any of the provisions of these regulations, the Commission may by general or special order direct the distribution licensee to take action not being inconsistent with the Act which appears to the Commission to be necessary and expedient for the purpose of removing the difficulties.

12. Repeal

The KERC (Code of Practice on Payment of Bills) 2001 and Section No. 26 and 29 of the KERC (Electricity Supply and Distribution) Code 2000-01 as amended from time to time are hereby repealed.

By Order of the Commission

Secretary
Karnataka Electricity Regulatory Commission

