### TAMIL NADU ELECTRICITY REGULATORY COMMISSION

### Order of the Commission dated this the 17th Day of December 2024

### PRESENT:

Thiru.K.Venkatesan .... Member

and

Thiru.B.Mohan .... Member (Legal)

I.A.No.2 of 2024 in L.P.No.1 of 2024

Union of India Represented through Military Engineer Services (MES) Garrison Engineer (AF) Tambaram

... Petitioner (M/s.P.V.S.Giridhar Associates)

### Versus

- The Chairman and Managing Director.,
   Tamil Nadu Generation and Distribution Corporation Ltd.
   10<sup>th</sup> Floor, NPKRR Maligai,
   144, Anna Salai, Chennai 600 002.
- The Director / Distribution, TANGEDCO, 10<sup>th</sup> Floor, NPKRR Maligai, 144, Anna Salai, Chennai – 600 002.
- The Director (Operation)
   TANTRANSCO
   State Load Dispatch Centre,
   MLDC Block, TNED Complex,
   144 Anna Salai,
   Chennai 600 002.
- Chief Financial Controller Regulatory Cell TANGEDCO 144, Anna Salai, Chennai – 600 002.

- Chief Engineer (Operation)
   State Load Dispatch Centre,
   1st Floor, SLDC Block, TNEB Complex,
   144, Anna Salai, Chennai 600 002.
- The Superintending Engineer
   Open Access and Coordination
   State Load Dispatch Centre,
   144, Anna Salai,
   Chennai 600 002.

... Respondents (Adv.Richardson Wilson)

### ORDER

- 1. In the present IA, the issue is confined only to the extent as to whether the prayer of the petitioner to exempt it from publishing notice of its application for Deemed Licensee under section 9 of the TNERC Licensing Regulation 2005 in order to protect its interest can be allowed. At present, we are not going into the merits of the main petition i.e, L.P.No.1 of 2024 preferred by the petitioner for grant of Deemed Licensee under Section 14 & 42 of the Electricity Act 2003 and the said question whether the petitioner is entitled to the grant of Deemed Licensee will be dealt with only in the Main Petition when the same is taken up at a later date.
- 2. Having said so, let us examine the prayer of the petitioner in the present I.A.No.2 of 2024. It reads as follows:

To permit the Applicant to refrain from publishing notice of application under section 9 of the Tamil Nadu Electricity Regulatory Commission, Licensing Regulation, 2005, in order to protect the interest of the Applicant.

3. On going through the I.A, it is seen that averments have been made in para 5 to the effect that MES is a central Govt organisation under the Military of Defence having sensitive strategic installation of national importance and hence, it is not feasible to publish any confidential information in public domain. TheApplicant has also drawn reference to Regulation 9(1)(a) of TNERC Tariff Regulation in support of its prayer which reads as follows

Regulation 9(1)(a).

The applicant shall, within seven days from the date of the application, publish in two English national daily newspapers, including one economic newspaper and two Tamil daily newspapers having a wide circulation in the area for which the licence is sought, a notice of his application as given in Annexure 1.

Where there is more than one edition of the newspaper (both English and Tamil) in the area for which the licence is applied for, the applicant shall ensure that the notice is published in all such editions.

- 4. Thus, the question involved herein is whether the entire application can be treated as confidential or only such of those information which are confidential nature could be exempted. The respondent TANGEDCO fairly conceded that the petitioner MES bearing a Defence Organisation, there cannot be an outright objection to the exemption altogether but sought the Commission to direct the petitioner to come out clearly as to which portions of the Application are deemed confidential in nature by the applicant so as to enable it to put forth its final reply.
- 5. In the end, both sides came to a meeting point where the abridged portion of the application was agreed to be published in newspapers and that the application in entirety

may be processed by the Commission thereafter after obtaining the comments of stakeholders.

- 6. Accordingly, the applicant filed a abridged version of the notice of application for grant of Deemed Licensee as directed by the Commission vide its order dated 24.10.2024. The petitioner also filed memo dated 12.11.2024 undertaking to webhost the petition with email address i) <a href="mailto:anilguruwa1993@gmail.com">anilguruwa1993@gmail.com</a> ii) <a href="mailto:ageafmestbm@gmail.com">ageafmestbm@gmail.com</a> for receipt of comments
- 7. Submissions made on either side heard. Memo dated 12.11.2024 and connected records perused.
- 8. Ultimately the Commission passes the following order.
  - a) The abridged notice of application filed by the petitioner dated 19.11.2024 is ordered to be published in two English National Daily Newspapers which should include one economic newspaper and two Tamil Daily Newspapers having wide circulation in the area for which the licence is sought within seven days from the date of this order.
  - b) The petitioner shall make every endeavour that the notice is published in all the newspapers simultaneously on the same day. However, in case the notice is published on different dates in different newspapers, the last date of publication will be deemed to be the date of publication of notice.
  - c) The complete application of the petitioner along with annexures and enclosures shall be posted in the Tamil Nadu Electricity Regulatory

Commission's website to facilitate access to the application by any person through internet.

- d) The petitioner shall, within seven days from the date of publication of the notice as aforesaid, submit to the Commission on an affidavit the details of the notice and shall also file with the Commission relevant copies of the newspapers in which the notice is published.
- e) Any person intending to object to the grant of licence shall file objections by way of affidavit within thirty days from the date of publication of the notice to the following email address.
  - i) anilgurawa1993@gmail.com
  - ii) ageafmestbm@gmail.com
- f) Upon receipt of the objections, the petitioner shall file its comments on the objections or suggestions received in response to the notice within 30 days from the date of receipt of objections.

Petition ordered accordingly.

(Sd/-....) (Sd/-....) Member(Legal) Member

//True copy//

Secretary
Tamil Nadu Electricity
Regulatory Commission

### NOTICE OF APPLICATION FOR GRANT OF DEEMED LICENSE

(Under 9(1) of -7

sing) Regulation)

Notice is hereby given to all the ir
having our registered office at Air Force Station Tambaram have applied to the Tamil Nadu Electricity Regulatory commission for grant of Deemed License to undertake Electricity within the state of Tamil Nadu. The application and other documents filed by us can be inspected at our above said registered office and the copies of the same will be available from us for Rs 1.00 per page (Photocopy charges). The complete application is available in website http://tnerc.gov.in/

Any person who have objection or otherwise for grant of license may forward the objection representation to the commission's office situated at TNERC, 4<sup>th</sup> Floor, SIDCO Corporate Office Building. Guindy, Chennai-600 032 in two copies by and delivery or by registered post and E-mail ID: <a href="mailto:tnerc@nic.in">tnerc@nic.in</a> should serve a copy of the objection/ representation/ representation to us at the address mentioned above. The objection may be submitted within 15 days from the date of

publication.

### General Information of applicant

19 NOV 2024

1	Details of Applicant				
(a)	Full name of Applicant	Garrison Engineer (AF)			
(b)	Full Address of applicant	Garrison Engineer (AF) Military Engineer Services Tambaram- 600 045			
(c)	Name and address of the contact person	Shri Anil Kumar, IDSE Executive Engineer GE (AF) Tambaram			
(d)	Contact Telephone Nos Fax No: Email ID:	9602265016, 8110811883 044-22397368 Anilgurawa1993@gmail.com ageafmestbm@gmail.com			
2	Details of Company				
(a)	Company/ Firm/ Co- op/Society/Others	Military Engineer Services			
(b)	Company incorporation/ Registration	Central Government under Ministry of Defence			
	Place of Registration				
	Year of Incorporation				
	Registration No				
(c)	Name and address of Director/ Principal shareholders/ Partners/ Members				
	Directors 1. 2. 3.	Union of India			
	Principal Shareholders	Union of India			
	Name	% of Equity Share	Address		
	1. 2. 3.				
(3)	Area of Activity	Distribution of Electricity in Air Force Tambaram Area			
(4)	Volume of business for 5 years	42.65 MUs in last 05 years			
	Year 2023-24	7.8 MUs			

- (5) The petitioner filing the objection/ representative should give the fwg particulars:-
  - Name and address.
  - 2. Ground/ reason in support of the objection/ representation together with documents or evidence if available.
  - 3. Whether he wishes to be heard in person or through authorized representative at the time of hearing.

4. An affidavit for verification of information.

ANIL KUMAR, IDSE

Garrison Engineer(AF)
AF Stn Tambaram



## MEMBER COPY

### BEFORE THE HON'BLE TAMIL NADU ELECTRICITY REGULATORY

COMMISSION

I.A. No. 1 of 2024

ln No 4

L.P. No. 1 of 2024

### IN THE MATTER OF:

Allow the Applicant/Petitioner to amend the L.P.

No. 1 of 2024 by adding additional facts set out in para 4 to 10 of the present application after para 10 in the petition filed as L.P. No. 1 of 2024 and to allow the Applicant/Petitioner to amend the prayer (b) and pass such further or other orders as this Hon'ble Commission may deem fit in the facts and circumstances of the case and thus render

Union of India
Represented through
Military Engineer Services (MES)
Garrison Engineer (AF) Tambaram

... Petitioner

MAR 2024

Vs

The Chairman and Managing Director.,
 Tamil Nadu Generation and Distribution Corporation Ltd.
 10<sup>th</sup> Floor, NPKRR Maligai,
 144, Anna Salai, Chennai – 600 002.

The Director/Distribution,
 TANGEDCO,
 10<sup>th</sup> Floor, NPKRR Maigai,
 144, Anna Salai, Chennai – 600 002.

The Director (Operation),
 TANTRANSCO
 State Load Dispatch Centre,
 MLDC Block, TNED Complex,
 144, Anna Salai, Chennai – 600 002.

Chief Financial Controller Regulatory,
 Cell TANGEDCO
 Anna Salai, Chennai – 600 002.

ANIL KUMAR, IDSE

EE

Garrison Engineer' AF Stn Tambaram

Chief Engineer (Operation)
 State Load Dispatch Centre,
 1<sup>st</sup> Floor, SLDC Block, TNEB Complex,
 144, Anna Salai, Chennai – 600 002.

The Superintending Engineer,
 Oper Access and Coordination
 State Load Dispatch Centre,
 Anna Salai, Chennai – 600 002.

... Respondents

## APPLICATION FILED UNDER REGULATION 16(1), 32 AND 48 OF THE TNERC - CONDUCT OF BUSINESS REGULATIONS, 2004

The Applicant respectfully submits as follows:

1. The above L.P. No. 1 of 2024is filed before this Hon'ble Commission to get MES identified as Deemed Licensee in the State of Tamil Nadu under Section 14 of the Electricity Act, 2003. MES is a Deemed Licensee under third proviso to Section 14 of the Electricity Act, 2003, which is reproduced below:-

"Provided also that in case an Appropriate Government transmits electricity or distributes electricity or undertakes trading in electricity, whether before or after the commencement of this Act, such Government shall be deemed to be a licensee under this Act, but shall not be required to obtain a license under this Act"

The averments in the L.P. No. 1 of 2024 may be read as part and parcel of thisApplication.

ANIL KUMAR, IDSE

EE

Garrison Engineer(AF) AF Stn Tambaram

3. It is submitted that upon filing and numbering of the L.P.the matter was

listed on 06.02.2024 for admission and the Bench directed the Applicant to

complywith Regulation 9(1) to 9(6) of Licensing Regulation. Thereafter, the

Applicant came to know several additional facts which did not come to their

knowledge at the time of filing of L.P. The additional facts are given under:

4. It is submitted MES is not required to obtain a license under the Electricity

Act, 2003 and hence, not required to apply for license including notice of the

application given in Annexure-1 and newspaper publications under

Regulations 9(1) to 9(6) of Licensing Regulations issued by the Hon'ble

Commission.

5. It is humbly submitted that as per Regulation 9(1)(a) of Licensing

Regulations, Hon'ble Commission may permit to refrain from publishing any

confidential information of the Applicant. Military Engineer Services (MES)

is a Central Government organization under Ministry of Defence and

provides MES cover to various and highly sensitive strategic installations of

National importance and hence, it is not feasible to publish any confidential

information in public domain. Regulation 9(1)(a) is reproduced below:-

"Provided that the applicant may request the Commission to permit it to

refrain from publishing any confidential information in order to protect its

business interests or rights in intellectual property and the Commission may

grant such request after due consideration".

6. It is further submitted that application is published in newspapers to invite

comments from other stakeholders involved in that particular area including

ANL KUMAR, IDSE

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Garrison Engineer(AF) AF Stn Tambaram

cantonment and other specified areas whereas MES is seeking permission for the Defence Cantonment areas only where no civilian stakeholders are involved in any manner and the distribution network in these areas is owned by MES only including billing to the individual Defence consumers.

- 7. Hon'ble APERC has recently issued Deemed Distribution License to MES in the State of Andhra Pradesh based on the Petition filed by MES and without processing any application/newspaper publication. Copy of Deemed Distribution License issued by Hon'ble APERC vide APERC/Engg/DD(Engg.)/TR-1009/D.No.1654/2023 dated 07.12.2023 is attached herewith as Annexure C/1.
- 8. It is humbly submitted that MES is directly not connected with STU in majority of Defence Cantonments / Stations being small Stations and very less load and hence would not be able to operate as Deemed Distribution Licensee in small Stations.
- 9. Hon'ble Maharashtra Electricity Regulatory Commission (MERC) has allowed a rebate of 20% in electric tariff for Defence Residential consumers residing in Cantonment areas in the entire State of Maharashtra vide Para 7.22.6 of Tariff Order for the FY 2023-24 and 2024-25. In this connection, it is submitted that majority of electric load (around 70-80% of overall load) pertains to Domestic load only in Defence cantonment areas depending upon the type of installations. Copy of Tariff Order for the FY 2023-24 and 2024-25 approved by Hon'ble MERC is annexed herewith and marked as Annexure C/2.

ANIL KUMAR, IDSE EE Garrison Engineer(AF) AF Sto Tambaram

10. Further, MES being the Central Government Department under Ministry of Defence is exempted and certain provisions of the Act does not apply on MES under Section 184 of the Electricity Act, 2003. The extract of the Section 184 is given below:-

"The provisions of this Act shall not apply to the Ministry or Department of the Central Government dealing with Defence, Atomic Energy or such other similar Ministries or Departments or undertakings or Boards or institutions under the control of such Ministries or Departments as may be notified by the Central Government".

- 11. It is submitted that that the Applicant/Petitioner would be put to irreparable hardship unless the present application as prayed for is allowed. No prejudice would be caused to the Respondents by allowing the present application.
- 12. In view of the above submission, the following is prayed :-
- (a) to allow the Applicant/Petitioner amend the L.P. No. 1 of 2024 by adding additional facts set out in para 4 to 10 of the present application after para 10 in the petition filed as L.P. No. 1 of 2024;
- (b) to allow the Applicant/Petitioner to amend the prayer (b) in Petition filed in L.P. No. 1 of 2024 as
  - b) Pass appropriate orders to enable MES to operate as Deemed

    Distribution Licensee in the State of Tamil Nadu

instead of,

ANNL KUMAR,IDSE EE Garrison Engineer(AF) AF Stn Tambaram

- b) Pass appropriate orders for Handing over of connected Assets to MES created from Defence Funds at Thanjavur Air Force station and Tambaram Air Force station area to establish direct grid connectivity being Deemed Licensee to enable MES to operate as Deemed Distribution Licensee in Tamil Nadu State and to purchase power directly from generators.
- Pass such further or other orders as this Hon'ble Commission may deem fit (c) in the facts and circumstances of the case and thus render justice.

Dated at Chennai this the ... day of March 2024

Garrison Engineer(AF) AF Stn Tambaram

SIGNATURE OF APPLICANT.



### ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

#11-4-660, 4th Floor, Singareni Bhavan, Red Hills, Khairatabad Hyderabad 500 004 Phones: 23397 - 381, 399, 556, 656 Fax: 2339 7378

APERC/Engg/DD(Engg.)/TR-1009/D.No.1654/2023

Date:07-12-2023.

### **DEEMED DISTRIBUTION LICENSE NO. 01 OF 2023**

- The Andhra Pradesh Electricity Regulatory Commission (hereinafter referred to as
  the Commission), in exercise of the powers conferred under Section 14 of the
  Electricity Act, 2003 & in terms of the Commission's Order dated 14.06.23 in OP
  No 10 of 2023, hereby grants the Deemed Distribution Licensee status to
  Garrison Engineers (I) NYC (hereinafter referred to as the Deemed Licensee)
  having its registered office at Ship Building Centre, Godavari gate, Visakhapatnam
   530 014, to undertake distribution of electricity in the area of distribution as
  specified herein.
- 2. The Deemed Licensee shall follow the "General Conditions of Distribution Licence" as specified under Chapter of "Andhra Pradesh Electricity Regulatory Commission (Distribution Licence) Regulations, 2013" and the other relevant Regulations, Orders, and Directions issued by the Commission from time to time in respect of the distribution of electricity which shall be read as part and parcel of this Licence.

#### 3. Area of Distribution:

The area of the distribution shall be Garrison Engineers (I) NYC Establishments of the Military Engineer Services in the State of Andhra Pradesh.

- 4. The grant of the Deemed Licensee status shall not in any manner hinder or restrict the right of the Commission to grant a licence to any other person within the same area for the Distribution and retail supply of electricity. The Deemed licensee shall not claim any exclusivity.
- 5. This Deemed Licensee status shall come into force with effect from 07-12-2023 and shall continue to be in force for a period of three (3) Years. The Commission may, at the instance of the Deemed Licensee, renew this Deemed Licensee status for such further period or periods and on such terms and conditions, as the Commission may consider appropriate.

- The Deemed Licensee shall not engage in the business of transmission of electricity.
- The Licensee shall pay the Licence fee as specified in Clause 21 of APERC (Distribution Licence) Regulation, 2013 and its amendments from time to time.
- 8. The provisions contained in the Electricity Act shall apply to the Deemed Licensee about the revocation of the licence.
- The Deemed Licensee may take power from the Distribution Licensee concerned under the bulk consumer category and accordingly, it may make a request to the Distribution Licensee concerned.
- 10. In case, the Deemed Licensee avails power under open access, it has to pay all necessary applicable charges for the same including the cross subsidy surcharges.
- 11. The Deemed Licensee shall furnish periodic reports as mandated by the Commission, encompassing operational data, financial statements, and any other relevant information essential for regulatory oversight.

(By order of the Commission)

COMMISSION SECRETARY((I/c)

Place: Hyderabad. Date: 07-12-2023

To

Military Engineer Services (MES), Garrison Engineer (I) NYC, Ship Building Centre, Gosthani Gate, Visakhapatnam - 530 014

Copy to
The Special Chief Secretary/Energy Department/GoAP
The CMD/APEPDCL
The CMD/APSPDCL

The CMD/APCPDCL

MERC Mid-Term Review Order for MSEDCL for Truing-up of ARR for FY 2019-20, FY 2020-21 and FY 2021-22, Provisional Truing-up of ARR for FY 2022-23 and revised ARR for FY 2023-24 and FY 2024-25

#### Before the

MAHARASHTRA ELECTRICITY REGULATORY COMMISSION World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai – 400 005 Tel. 022 - 22163964/65/69 Fax No. 022 - 22163976

> Email: mercindia@merc.gov.in Website: www.merc.gov.in

### CASE No. 226 of 2022

In the matter of

Case of Maharashtra State Electricity Distribution Company Limited for Final True Up of FY 2019-20, FY 2020-21 & FY 2021-22, Provisional True Up for FY 2022-23 and Revised Tariff & Projection for FY 2023-24 to FY 2024-25 under Section 62 of The Electricity Act, 2003 and MERC MYT Regulations, 2019

Coram
Shri Sanjay Kumar, Chairperson
Shri I. M. Bohari, Member
Shri Mukesh Khullar, Member

### ORDER

Date: 31 March 2023

Maharashtra State Electricity Distribution Company Limited (MSEDCL or Petitioner), "Prakashgad", Anant Kanekar Marg, Bandra (East), Mumbai has filed a Mid-Term Review Petition on 27 November 2022 for Final Truing-up of ARR for FY 2019-20, FY 2020-21 and FY 2021-22, Provisional Truing-up of ARR for FY 2022-23 and Revised ARR and Tariff for FY 2023-24 to FY 2024-25.

The Petition has been submitted in accordance with the MERC (Multi Year Tariff) Regulations 2015 ("MYT Regulations, 2015"), for Final Truing up of ARR for FY 2019-20, and in accordance with MERC (Multi Year Tariff) Regulations 2019 ("MYT Regulations, 2019") for Final Truing up of ARR for FY 2020-21 & FY 2021-22, Provisional Truing-up of ARR for FY 2022-23 and Revised ARR and Tariff for FY 2023-24 to FY 2024-25,.

The Commission, in exercise of the powers vested in it under Sections 61, 62 and 86 of the Electricity Act, 2003 (EA, 2003) and all other powers enabling it in this behalf, and after taking into consideration all the submissions made by MSEDCL, and in the public consultation process, and all other relevant material, has approved the Final Truing-up of ARR for FY 2019-20, FY 2020-21 and FY 2021-22, Provisional Truing-up of ARR for FY 2022-23 and Revised ARR and Tariff for FY 2023-24 to FY 2024-25 in this Order.

### 7.22.4 Non-Residential or Commercial consumer category

7.22.4.1 Non-Residential, Commercial and Business premises, including Shopping Malls and Showrooms

MSEDCL has proposed to include Exhibition Centres, Ware Houses/Godowns, Resorts, Canteens/ Cafeterias, Tea shops, Logistics and Transportation services under this category.

- 7.22.4.2 MSEDCL has proposed to include Toll Collection plazas including lightings on Express / National / State Highways not included under any other categories under this category.
- 7.22.4.3 MSEDCL has proposed to include Mobile Shoppe's under this category.
  - 7.22.4.4 Separate Sports Clubs/facilities, Health Clubs/facilities, Gymnasiums, Swimming Pools not included in other o include in this category.

MSEDCL has proposed to include Training Centres under this category.

### Commission's Analysis & Rulings

- 7.22.5 The Commission notes the MSEDCLs submission regarding the applicability and classification of various cases of consumption as per usage as proposed by MSEDCL under residential or non-residential/commercial category. The Commission hereby confirms such classification based on usage as proposed by MSEDCL. Necessary modifications in the Tariff Schedule to reflect this classification of usage under respective consumer category have been incorporated.
- 7.22.6 In addition, the Commission clarifies that residential staff quarters for defence establishments currently classified under HT-Group Housing which is used residential purpose and allied activities for defence personnel within the gated community of such defence colony/establishments. The defence establishment undertakes maintenance and upkeep of electrical infrastructure within such colony premises. The cost of electricity usage by residents are recovered from such defence personnel through their salary, which are unable to enjoy benefits of lower rate for consumption at lower slabs as applicable for residential category consumers due to nature of single point supply for HT-Group Housing category. During public hearing, the EME/defence personnel requested to create separate sub-class or apply lower tariff for defence colony/establishments under HT-Group Housing category. The Commission observes that relief for defence personnel is necessary, however creating separate subclass/category for this purpose would not be in line with overall philosophy of rationalisation and simplification of tariff categories and tariff slabs. Under the circumstances, the Commission decides to allow 20% reduction in Energy Charge (incl. FAC) for defence colony/establishments under the HT-Group Housing category.

# MEMBER COPY



# BEFORE THE HONOURABLE TAMIL NADU ELECTRICITY REGISTERS OF COMMISSION, CHENNAI

L.P.No.1 of 2024

Union of India, Military Engineer Services (MES), Air Force Tambaram, Represented through its Garrison Engineer

..... Petitioner

### Versus

- The Chairman cum Managing Director, TANGEDCO, 144, Anna Salai, Chennai-600002
- The Director/ Distribution, TANGEDCO, 144, Anna Salai, Chennai-600002
- The Director/ Operation, TANTRANSCO, 144, Anna Salai, Chennai-600002
- The Chief Financial Controller, Regulatory Cell, TANGEDCO, 144, Anna Salai, Chennai-600002
- The Chief Engineer/ Operation, SLDC, TANTRANSCO, 144, Anna Salai, Chennai-600002
- The Superintending Engineer, Open Access and Co-ordination, SLDC, TANTRANSCO 144, Anna Salai, Chennai-600002

...... Respondents

## **INDEX TO THE TYPED SET OF PAPERS**

SI No.	Date	Description	Page No.
1	26.07.2004	Ministry of Power letter dated 26.07.2004	1
2		The Electricity Act, 2003	2
3		Regulation 9 of TNERC Licensing Regulations, 2005	13
4		The Railways Act, 1989	16
5		Defence Service Regulations, Military Engineer Services, 1968	20
6		Appeal No.276 of 2015	22.

Certified that the copies of the above documents are true copies.

Dated at Chennai this 21st day of May 2024

for Passandant

Counsel for Respondent

No.25/19/2004-R&R Government of India Ministry of Power

> Shram Shakti Bhawan, Rafi Marg, New Delhi, the 26<sup>th</sup> July, 2004.

To.

The Secretaries of the State Commissions.

2. The Secretaries in charge of Energy/Power Deptt. of States.

Sub: Military Engineering Service (MES), a Subordinate Organisation under the Ministry of Defence are deemed licensee under the Electricity Act, 2003.

Sir,

The Electricity Act, 2003 has been enacted and the provisions of the Act have been brought into force from 10<sup>th</sup> June, 2003. Since the enactment of the Act requests have been received from various stakeholders for issuing necessary clarifications on certain issues. One of such issues relates to recognition of Military Engineering Service (MES), a subordinate organisation of the Ministry of Defence as a deemed licensee under the Electricity Act, 2003.

2. The issue of MES as a deemed licensee under the Act has been considered in this Ministry in consultation with the Ministry of Law and accordingly it is clarified that MES, which is a subordinate organisation of the Ministry of Defence entrusted with and consequently engaging in supply of electric power meets the requirement as provided in third proviso to section 14 of the Electricity Act, 2003 – of an Appropriate Government engaging in distribution of electricity and as such qualifies to be a deemed licensee under the said provision of the Act.

Sd/-(Alok Kumar) Director Tel.23714000

Copy for information to:

Secretary, CERC, SCOPE Complex, New Delhi.

2. Ministry of Defence (Shashi Kant Sharma), South Block, New Delhi.

(Alok Kumar)



# MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 2<sup>nd</sup> June, 2003. Jyaistha 12, 1925 (Saka)

The following Act of Parliament received the assent of the President on the 26th May, 2003, and is hereby published for general information:

# THE ELECTRICITY ACT, 2003 [No.36 of 2003]

[26th May, 2003]

An Act to consolidate the laws relating to generation, transmission, distribution, trading and use of electricity and generally for taking measures conducive to development of electricity industry, promoting competition therein, protecting interest of consumers and supply of electricity to all areas, rationalization of electricity tariff, ensuring transparent policies regarding subsidies, promotion of efficient and environmentally benign policies, constitution of Central Electricity Authority, Regulatory Commissions and establishment of Appellate Tribunal and for matters connected therewith or incidental thereto.

Be it enacted by Parliament in the Fifty-fourth Year of the Republic of India as follows:-

### PART I

## PRELIMINARY

Section 1. (Short title, extent and commencement) --- (1) This Act may be called the Electricity Act, 2003.

- (2) It extends to the whole of India except the State of Jammu and Kashmir.
- (3) It shall come into force on such date as the Central Government may, by notification, appoint:

Provided that different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

The Electricity Act, 2003

3

# Section 2. (Definitions): — In this Act, unless the context otherwise requires,—

(1)"Appellate Tribunal" means the Appellate Tribunal for Electricity established under section 110;

- (2) "appointed date" means such date as the Central Government may, by notification, appoint;
- (3) "area of supply" means the area within which a distribution licensee is authorised by his licence to supply electricity;
- (4) "Appropriate Commission" means the Central Regulatory Commission referred to in sub-section (1) of section 76 or the State Regulatory Commission referred to in section 82 or the Joint Commission referred to in section 83, as the case may be;
- (5) "Appropriate Government" means, -
  - (a) the Central Government, -
    - in respect of a generating company wholly or partly owned by it;
    - in relation to any inter-State generation, transmission, trading or supply of electricity and with respect to any mines, oil-fields, railways, national highways, airports, telegraphs, broadcasting stations and any works of defence, dockyard, nuclear power installations;
    - (iii) in respect of National Load Despatch Centre; and Regional Load Despatch Centre;
    - (iv) in relation to any works or electric installation belonging to it or under its control;
  - (b) in any other case, the State Government, having jurisdiction under this Act;
- (6) "Authority" means the Central Electricity Authority referred to in sub-section(1) of section 70;
- (7) "Board" means, a State Electricity Board, constituted before the commencement of this Act, under sub-section (1) of section 5 of the Electricity (Supply) Act, 1948;



- (8) "Captive generating plant" means a power plant set up by any person to generate electricity primarily for his own use and includes a power plant set up by any co-operative society or association of persons for generating electricity primarily for use of members of such cooperative society or association;
- (9) "Central Commission" means the Central Electricity Regulatory Commission referred to in sub-section (1) of section 76;
- (10) "Central Transmission Utility" means any Government company which the Central Government may notify under sub-section (1) of section 38;
- (11) "Chairperson" means the Chairperson of the Authority or Appropriate Commission or the Appellate Tribunal, as the case may be;
- (12) "Cogeneration" means a process which simultaneously produces two or more forms of useful energy (including electricity);
- (13) "company" means a company formed and registered under the Companies Act, 1956 and includes any body corporate under a Central, State or Provincial Act;
- (14) "conservation" means any reduction in consumption of electricity as a result of increase in the efficiency in supply and use of electricity;
- (15) "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;
- (16) "dedicated transmission lines" means any electric supply-line for point to point transmission which are required for the purpose of connecting electric lines or electric plants of a captive generating plant referred to in section 9 or generating station referred to in section 10 to any transmission lines or sub-stations or generating stations, or the load centre, as the case may be;

- (64) "State Commission" means the State Electricity Regulatory Commission constituted under sub-section (1) of section 82 and includes a Joint Commission constituted under sub-section (1) of section 83;
- (65) "State Grid Code" means the State Grid Code specified under clause (h) of sub-section (1) of section 86;
- (66) "State Load Despatch Centre" means the centre established under subsection (1) of section 31;
- (67) "State Transmission Utility" means the Board or the Government company specified as such by the State Government under sub-section (1) of section 39;
- (68) "street" includes any way, road, lane, square, court, alley, passage or open space, whether a thoroughfare or not, over which the public have a right of way, and also the roadway and footway over any public bridge or causeway;
- (69) "sub-station" means a station for transforming or converting electricity for the transmission or distribution thereof and includes transformers converters, switch-gears, capacitors, synchronous condensers, structures, cable and other appurtenant equipment and any buildings used for that purpose and the site thereof;
- (70) "supply", in relation to electricity, means the sale of electricity to a licensee or consumer;
- (71) "trading" means purchase of electricity for resale thereof and the expression "trade" shall be construed accordingly;
- (72) "transmission lines" means all high pressure cables and overhead lines (not being an essential part of the distribution system of a licensee) transmitting electricity from a generating station to another generating station or a substation, together with any step-up and step-down transformers, switch-gear and other works necessary to and used for the control of such cables or overhead lines, and such buildings or part thereof as may be required to accommodate such transformers, switch-gear and other works;
- (73) "transmission licensee" means a licensee authorised to establish or operate transmission lines;
- (74) "transmit" means conveyance of electricity by means of transmission lines and the expression "transmission" shall be construed accordingly;

### PART IV

### LICENSING

# Section 12. (Authorised persons to transmit, supply, etc., electricity):

No person shall

- (a) transmit electricity; or
- (b) distribute electricity; or
- (c) undertake trading in electricity,

unless he is authorised to do so by a licence issued under section 14, or is exempt under section 13.

### Section 13. (Power to exempt):

The Appropriate Commission may, on the recommendations, of the Appropriate Government, in accordance with the national policy formulated under section 5 and in the public interest, direct, by notification that subject to such conditions and restrictions, if any, and for such period or periods, as may be specified in the notification, the provisions of section 12 shall not apply to any local authority, Panchayat Institution, users' association, co-operative societies, non-governmental organizations, or franchisees:

## Section 14. (Grant of licence):

The Appropriate Commission may, on an application made to it under section 15, grant a licence to any person -

- (a) to transmit electricity as a transmission licensee; or
- (b) to distribute electricity as a distribution licensee; or
- (c) to undertake trading in electricity as an electricity trader,

in any area as may be specified in the licence:

Provided that any person engaged in the business of transmission or supply of electricity under the provisions of the repealed laws or any Act specified in the Schedule on or before the appointed date shall be deemed to be a licensee under this Act for such period as may be stipulated in the licence,

clearance or approval granted to him under the repealed laws or such Act specified in the Schedule, and the provisions of the repealed laws or such Act specified in the Schedule in respect of such licence shall apply for a period of one year from the date of commencement of this Act or such earlier period as may be specified, at the request of the licensee, by the Appropriate Commission and thereafter the provisions of this Act shall apply to such business:

Provided further that the Central Transmission Utility or the State Transmission Utility shall be deemed to be a transmission licensee under this Act:

Provided also that in case an Appropriate Government transmits electricity or distributes electricity or undertakes trading in electricity, whether before or after the commencement of this Act, such Government shall be deemed to be a licensee under this Act, but shall not be required to obtain a licence under this Act:

Provided also that the Damodar Valley Corporation, established under sub-section (1) of section 3 of the Damodar Valley Corporation Act, 1948, shall be deemed to be a licensee under this Act but shall not be required to obtain a licence under this Act and the provisions of the Damodar Valley Corporation Act, 1948, in so far as they are not inconsistent with the provisions of this Act, shall continue to apply to that Corporation:

Provided also that the Government company or the company referred to in sub-section (2) of section 131 of this Act and the company or companies created in pursuance of the Acts specified in the Schedule, shall be deemed to be a licensee under this Act:

Provided also that the Appropriate Commission may grant a licence to two or more persons for distribution of electricity through their own distribution system within the same area, subject to the conditions that the applicant for grant of licence within the same area shall, without prejudice to the other conditions or requirements under this Act, comply with the additional requirements <sup>1</sup>[relating to the capital adequacy, credit-worthiness, or code of conduct] as may be prescribed by the Central Government, and no such applicant, who complies with all the requirements for grant of licence, shall be refused grant of licence on the ground that there already exists a licensee in the same area for the same purpose:

<sup>&</sup>lt;sup>1</sup> Subs. by Act 57 of 2003, Sec.2 for the words and brackets "(including the capital adequacy credit worthiness, or Code of conduct)" (w.e.f. 27<sup>th</sup> January, 2004).

### PART XIII

### REORGANISATION OF BOARD

Section 131. (Vesting of property of Board in State Government): — (1) With effect from the date on which a transfer scheme, prepared by the State Government to give effect to the objects and purposes of this Act, is published or such further date as may be stipulated by the State Government (hereafter in this Part referred to as the effective date), any property, interest in property, rights and liabilities which immediately before the effective date belonged to the State Electricity Board (hereinafter referred to as the Board) shall vest in the State Government on such terms as may be agreed between the State Government and the Board.

(2) Any property, interest in property, rights and liabilities vested in the State Government under sub-section (1) shall be re-vested by the State Government in a Government company or in a company or companies, in accordance with the transfer scheme so published along with such other property, interest in property, rights and liabilities of the State Government as may be stipulated in such scheme, on such terms and conditions as may be agreed between the State Government and such company or companies being State Transmission Utility or generating company or transmission licensee or distribution licensee, as the case may be:

Provided that the transfer value of any assets transferred hereunder shall be determined, as far as may be, based on the revenue potential of such assets at such terms and conditions as may be agreed between the State Government and the State Transmission Utility or generating company or transmission licensee or distribution licensee, as the case may be.

- (3) Notwithstanding anything contained in this section, where,-
  - (a) the transfer scheme involves the transfer of any property or rights to any person or undertaking not wholly owned by the State Government, the scheme shall give effect to the transfer only for fair value to be paid by the transferee to the State Government;
  - (b) a transaction of any description is effected in pursuance of a transfer scheme, it shall be binding on all persons including third parties and even if such persons or third parties have not consented to it.
- (4) The State Government may, after consulting the Government company or company or companies being State Transmission Utility or generating company

Section 107. (Directions by Central Government): --- (1) In the discharge of its functions, the Central Commission shall be guided by such directions in matters of policy involving public interest as the Central Government may give to it in writing.

(2) If any question arises as to whether any such direction relates to a matter of policy involving public interest, the decision of the Central Government thereon shall be final.

Section 108. (Directions by State Government): --- (1) In the discharge of its functions, the State Commission shall be guided by such directions in matters of policy involving public interest as the State Government may give to it in writing.

(2) If any question arises as to whether any such direction relates to a matter of policy involving public interest, the decision of the State Government thereon shall be final.

# Section 109. (Directions to Joint Commission):

Notwithstanding anything contained in this Act, where any Joint Commission is established under section 83 –

- (a) the Government of the State, for which the Joint Commission is established, shall be competent to give any direction under this Act only in cases where such direction relates to matter within the exclusive territorial jurisdiction of the State;
- (b) the Central Government alone shall be competent to give any direction under this Act where such direction relates to a matter within the territorial jurisdiction of two or more States or pertaining to a Union territory if the participating Governments fail to reach an agreement or the participating States or majority of them request the Central Government to issue such directions.

- (c) the undertaking of the State Electricity Boards established under section 5 of the Electricity (Supply) Act, 1948 may after the expiry of the period specified in clause (a) be transferred in accordance with the provisions of Part XIII of this Act;
- (d) the State Government may, by notification, declare that any or all the provisions contained in this Act, shall not apply in that State for such period, not exceeding six months from the appointed date, as may be stipulated in the notification.

### Section 173. (Inconsistency in laws):

Nothing contained in this Act or any rule or regulation made thereunder or any instrument having effect by virtue of this Act, rule or regulation shall have effect in so far as it is inconsistent with any other provisions of the Consumer Protection Act, 1986 or the Atomic Energy Act, 1962 or the Railways Act, 1989.

### Section 174. (Act to have overriding effect):

Save as otherwise provided in section 173, the provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of any law other than this Act.

Section 175. (Provisions of this Act to be in addition to and not in derogation of other laws):

The provisions of this Act are in addition to and not in derogation of any other law for the time being in force.

Section 176. (Power of Central Government to make rules): — (1) The Central Government may, by notification, make rules for carrying out the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely: -

### PART VI

### DISTRIBUTION OF ELELCTRICITY

# Provisions with respect to distribution licensee

Section 42. (Duties of distribution licensee and open access): — (1) It shall be the duty of a distribution licensee to develop and maintain an efficient, co-ordinated and economical distribution system in his area of supply and to supply electricity in accordance with the provisions contained in this Act.

(2) The State Commission shall introduce open access in such phases and subject to such conditions, (including the cross subsidies, and other operational constraints) as may be specified within one year of the appointed date by it and in specifying the extent of open access in successive phases and in determining the charges for wheeling, it shall have due regard to all relevant factors including such cross subsidies, and other operational constraints:

Provided that <sup>1</sup>[such open access shall be allowed on payment of a surcharge] in addition to the charges for wheeling as may be determined by the State Commission:

Provided further that such surcharge shall be utilised to meet the requirements of current level of cross subsidy within the area of supply of the distribution licensee:

Provided also that such surcharge and cross subsidies shall be progressively reduced <sup>2</sup>[\*\*\*] in the manner as may be specified by the State Commission:

Provided also that such surcharge shall not be leviable in case open access is provided to a person who has established a captive generating plant for carrying the electricity to the destination of his own use:

<sup>3</sup>[Provided also that the State Commission shall, not later than five years from the date of commencement of the Electricity (Amendment) Act, 2003, by regulations, provide such open access to all consumers who require a supply of electricity where the maximum power to be made available at any time exceeds one megawatt.]

<sup>3</sup> Ins. by Act 57 of 2003, Sec.3 [w.e.f. 27<sup>th</sup> January, 2004].

<sup>&</sup>lt;sup>1</sup> Subs. by Act 26 of 2007, Sec.7 for the words "such open access may be allowed before the cross subsidies are eliminated on payment of a surcharge" [w.e.f. 15th June 2007].

The words "and eliminated" omitted by Act 26 of 2007, Sec.7 [w.e.f. 15th June 2007].

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- (3) Where any person, whose premises are situated within the area of supply of a distribution licensee, (not being a local authority engaged in the business of distribution of electricity before the appointed date) requires a supply of electricity from a generating company or any licensee other than such distribution licensee, such person may, by notice, require the distribution licensee for wheeling such electricity in accordance with regulations made by the State Commission and the duties of the distribution licensee with respect to such supply shall be of a common carrier providing non-discriminatory open access.
- (4) Where the State Commission permits a consumer or class of consumers to receive supply of electricity from a person other than the distribution licensee of his area of supply, such consumer shall be liable to pay an additional surcharge on the charges of wheeling, as may be specified by the State Commission, to meet the fixed cost of such distribution licensee arising out of his obligation to supply.
- (5) Every distribution licensee shall, within six months from the appointed date or date of grant of licence, whichever is earlier, establish a forum for redressal of grievances of the consumers in accordance with the guidelines as may be specified by the State Commission.
- (6) Any consumer, who is aggrieved by non-redressal of his grievances under sub-section (5), may make a representation for the redressal of his grievance to an authority to be known as Ombudsman to be appointed or designated by the State Commission.
- (7) The Ombudsman shall settle the grievance of the consumer within such time and in such manner as may be specified by the State Commission.
- (8) The provisions of sub-sections (5),(6) and (7) shall be without prejudice to right which the consumer may have apart from the rights conferred upon him by those sub-sections.

Section 43. (Duty to supply on request): — (1) <sup>1</sup>[Save as otherwise provided in this Act, every distribution] licensee, shall, on an application by the owner or occupier of any premises, give supply of electricity to such premises, within one month after receipt of the application requiring such supply:

Provided that where such supply requires extension of distribution mains, or commissioning of new sub-stations, the distribution licensee shall supply the electricity to such premises immediately after such extension or commissioning or within such period as may be specified by the Appropriate Commission:

Subs. by Act 26 of 2007, Sec.8 for the words "Every distribution" [w.e.f. 15th June 2007].



### TAMIL NADU ELECTRICITY REGULATORY COMMISSION

Tamil Nadu Electricity Regulatory Commission (Licensing) Regulations, 2005 (As amended up to 31.12.2009)

### Notification No. TNERC/LR/12/3 Dated 20.01.2010

WHEREAS the Tamil Nadu Electricity Regulatory Commission have published in the Tamil Nadu Government Gazette on different dates the following, namely:-

- Tamil Nadu Electricity Regulatory Commission (Licensing) Regulations 2005 (Notification No.TNERC/LR/12/1, Dated 24.06.2005)
- (2) Tamil Nadu Electricity Regulatory Commission (Fees and Fines and Licensing) Amending Regulations 2006 (Notification No.TNERC/F&F/4/2-1, Dated 16.11.2006)
- (3) Tamil Nadu Electricity Regulatory Commission (Licensing) (Amendment) Regulations 2007 (Notification No.TNERC/LR/12/2, Dated 04.07.2007)

AND WHEREAS, the Commission considers it necessary that the above Regulations with the amendments incorporated therein should be re-published in the Tamil Nadu Government Gazette so as to afford an effective and efficient upto date information to the public, to enable them to have a better understanding of the said Regulation along with the Amendments incorporated therein;

Now, the Commission hereby re-publishes the Tamil Nadu Electricity Regulatory Commission (Licensing) Regulations, 2005 as amended up to 31.12.2009 in the ensuing Part VI- Section 2 of the Tamil Nadu Government Gazette.

14.

(f) he is not considered a fit and proper person for the grant of licence for any other reason to be recorded in writing;

Explanation: For the purpose of determining as to whether the applicant is a "fit" and proper person", the Commission may take account of any consideration, as it deems fit, including but not limited to the following, namely:-

- (i) financial integrity of the applicant
- (ii) his competence
- (iii) his reputation and character; and
- (iv) his efficiency and honesty.]

# 8. Receipt and acknowledgement of application

Upon receipt of the application for grant of licence along with the proof of payment of such fees as prescribed by the State Government, the Designated Officer shall enter the particulars in a register to be maintained for the purpose and allot a reference number to the application. The Designated Officer shall then dispatch to the Applicant, at the address stated in the application, an acknowledgement stating the date of receipt and the reference number.

# 9. Notice of application and contents thereof

(1) (a) <sup>1</sup>[The applicant shall, within seven days from the date of the application, publish in two English national daily newspapers, including one economic newspaper and two Tamil daily newspapers having a wide circulation in the area for which the licence is sought, a notice of his application as given in Annexure 1.

Where there is more than one edition of the newspaper (both English and Tamil) in the area for which the licence is applied for, the applicant shall ensure that the notice is published in all such editions.

<sup>1</sup>Substituted as per Commission's Notification No. TNERC/LR/12/2 dated 4.7.2007 (w.e.f. 25.7.2007) which before substitution stood as under:

"The applicant shall, within seven days from the date of the application, publish in two English national daily newspapers, including one economic newspaper and two Tamil daily newspapers having a wide circulation in the area for which the licence is sought, a notice of his application as given in Annexure 1.

Provided that the applicant may request the Commission to permit it to refrain from publishing any confidential information in order to protect its business interests or rights in intellectual property and the Commission may grant such request after due consideration."

Provided that the applicant may request the Commission to permit it to refrain from publishing any confidential information in order to protect its business interests or rights in intellectual property and the Commission may grant such request after due consideration.]

- (b) The applicant shall endeavour that the notice is published in all the newspapers simultaneously on the same day. However, in case the notice is published on different days in different newspapers, the date last published will be deemed to be the date of publication of the notice.
- (c) Unless otherwise specified by the Commission, the notice shall be published in at least two successive issues of the dailies.
- (2) The applicant shall post complete application along with annexures and enclosures in his own website or any other authorised website to facilitate access to the application by any person through internet. The application with enclosures shall also be submitted to the Commission in a compact disk (CD).
- (3) Applicants for grant of transmission licence are required to forward a copy of such application to the State Transmission Utility for recommendation.
- (4) In addition to the above, the Commission may direct that notice of the application be served on any designated representative of the Central Government, the State Government, any local authority or any other authority or person or body as the Commission may deem appropriate.
- (5) The Applicant shall within seven days from the date of publication of the notice as aforesaid submit to the Commission on an affidavit the details of the notice published and shall also file with the Commission relevant copies of the newspapers in which the notice is published.
- (6) The applicant shall make sufficient number of copies of application available for inspection by any person.

### 10. Objections and Suggestions

- (1) Any Person intending to object to the grant of the licence shall file objections by way of affidavit within thirty days from the date of publication of the notice referred to in Regulation 9(1)(a) annexing thereto proof of having served copy of such objections upon the Applicant. The objections shall be addressed to the Designated Officer. Upon receipt of such objections, the Designated Officer shall imprint the reference number of the concerned licence application on the same and shall file such objections in the file relating to the concerned licence.
- (2) The Designated Officer shall serve a copy of all the objections received by him on the applicant within one week of its receipt.

### Railways Act 1989

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account of the activities of the Commissioner during the financial year immediately preceding the financial year in which such report is prepared and forward, before such date as may be specified by the Central Government, copies thereof to the Central Government, and that Government shall cause that report to be laid, as soon as may be, after its receipt before each house of parliament.

#### **CHAPTER IV**

# CONSTRUCTION AND MAINTENANCE OF WORKS

- 11. Power of railway administration to execute all necessary works Notwithstanding anything contained in any other law for the time being in force, but subject to the provisions of this Act and the provisions of nay law for the acquisition of land for a public purpose or for the companies, and subject also, in the case of a non-government railway, to the provisions of any contract between the Non-Government railway and the Central Government, a railway administration may, for the purpose of constructing or maintaining a railway -
- (a) make a construct in or upon, across, under or over any lands, or any street, hills, valleys, roads, railway, tramways, or any rivers, canals, brooks, streams or other waters, or any drains, water pipes, gas pipes, oil-pipes, sewers, electric supply lines, or telegraph lines, such temporary or permanent inclined planes, bridges, tunnels, culverts, embankments, aqueducts, roads, lines of railways, passages, conduits, drains, piers, cutting and fences, in-take wells, tube wells, dams, river training and protection works as it thinks proper;
- (b) alter the course of nay river, brooks, streams or other water courses, for the purpose of constructing and maintenance tunnels, bridges, passages, or other works over or under them and divert or alter either temporarily or permanently, the course of any river, brooks, streams, or other water courses or any roads, streets or ways, or raise or sink the level thereof, in order to carry them more conveniently over or under or by the side of the railway;
- (c) make drains or conduits into, through or under any lands adjoining the railway for the purpose of conveying water from or to the railway;
- (d) erect and construct such houses, ware houses, offices and other buildings, and such yards, stations, wharves, engines, machinery apparatus and other works and the conveniences as the railway administration thinks proper;
- (e) alter, repair or discontinue such buildings, works and convenience as aforesaid or any of them and substitute other in their stead;

- (f) erect, operate, maintain or repair any telegraph and telephone lines in connection with the working of the railway;(g) erect, operate, maintain or repair any electric traction equipment, power supply and distribution installation in connection with the working of the railway; and
- (h) do all other acts necessary for making, maintaining, altering or repairing and using the railway.
- 12. Power to later the position of pipe, electric supply line, drain or sewer, etc. (1) A railway administration may, for the purpose of exercising the powers conferred on it by this Act, alter the position of any pipe for the supply of gas, water, oil or compressed air, or the position of any electric supply line, drain or sewer.

Provided that before altering the position of any such pipe, electric supply line, drain or sewer, the railway administration shall give a notice indicating the time at which the work of such alteration shall commence, to the local authority or other person having control over the pipe, electric supply line, drain or sewer.

- (2) The railway administration shall execute the work referred to in sub-section (I) to the reasonable satisfaction of the local authority or the person receiving the notice under the provision to the sub-section (1).
- 13. Protection for Government Property. Nothing in section 11 and 12 shall authorise -
- (a) a railway administration of the government railway to do anything on or to any works, lands or buildings vested in, or in the possession of, a State Government without the consent of that Government; and
- (b) a railway administration of a non-Government railway to do anything on or to any works, lands or buildings vested in, or in the possession of, the Central Government or a State Government, without the consent of the Government concerned.
- 14. Temporary entry upon land to remove obstruction, to repair or to prevent accident (1) Where in the opinion of a Railway administration (a) there is imminent danger that any tree, post or structure may fall on the railway so as to obstruct the movement of the rolling stock; or
- (b) any tree, post, structure or light obstructs the view of any signal provided for movement of rolling stock; or
- (c) any tree, post or structure obstructs any telephone or telegraph line maintained on it,

## DEFENCE SERVICES REGULATIONS

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## REGULATIONS

FOR THE

### MILITARY ENGINEER SERVICES

1968





PUBLISHED BY THE MANAGER OF PUBLICATIONS, DELMI
PENTED BY THE MANAGER OF GOVERNMENT OF INDIA PRESS, FARIDABAD, INDIA

#### SECTION 52.—INSTALLATIONS

General Responsibility.

- 865. The MES are responsible, except as provided below, for the erection, operation and maintenance of all Defence Services installations for the supply of electricity and water, for air-conditioning and refrigeration, for sewage disposal and for the manufacture of ice.
- 866. The conditions under which departments and services other than the MES will operate and maintain the installations mentioned above are
  - (a) When specifically authorised by the G of I; or \_
  - (b) when buildings and installations are maintained from funds outside Main Head 7.

Should however the department or service concerned consider the operation and maintenance of such installation beyond its capacity, the MES may operate and maintain the installations as an agency service with the concurrence of the CE.

867. The responsibility of the MES in respect of Defence Services installations other than those mentioned in para 865 are laid down in the following paragraphs.

Where the term 'Industrial Plant' is used, it covers any authorised plant, machinery, specialist and scientific apparatus, or other consuming apparatus, which is used or required by the department or service concerned to enable it to carry out its function, other than those provided by the MES in accordance with 'Barrack Synopsis' or other Government orders issued from time to time.

- 868. The incidence of cost and degree of responsibility of the MES will depend on whether.
  - (a) both buildings and installations are maintained from Main Head 7; or
  - (b) the buildings are maintained from Main Head 7 and the installations from a head other than Main Head 7; or
  - (c) the buildings and installations are both maintained from a head other than Main Head 7.
- 869. Where buildings and installations are both maintained from Main Head 7
  - (a) the MES will provide, erect, maintain and operate the supply installation and all consuming apparatus, including industrial plant if any. The expenditure involved will be debited to the appropriate head of account for original works or maintenance services, as the case may be.
  - (b) the department or service concerned may erect, maintain and/or operate the installation and/or consuming apparatus, at the request and as the agent of the MES. The expenditure will be met by, and the responsibility remains with, the MES. Such arrangements may be made locally between representatives of the MES and the department or service concerned.

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# IN THE APPELLATE TRIBUNAL FOR ELECTRICITY AT NEW DELHI APPELLATE JURISDICTION

Dated: 12th February, 2024

Present: Hon'ble Mr. Justice Ramesh Ranganathan, Chairperson

Hon'ble Mr. Sandesh Kumar Sharma, Technical Member

#### APPEAL NO. 276 OF 2015

#### In the matter of:

West Bengal State Electricity
Distribution Company Limited
Through its Chairman and Managing
Director
Vidyut Bhavan, Bidhannagar
Block DJ, Sector – II,
Kolkata – 700 091

... Appellant(s)

#### Versus

 Central Electricity Regulatory Commission Through its Secretary 3<sup>rd</sup>& 4<sup>th</sup> Floor, Chanderlok Building, 36, Janpath New Delhi - 110001

... Respondent No.1

Indian Railways

Government of India Through Deputy Chief Electrical Engineer (TRD) Railway Bhawan, Raisina Road New Delhi - 110 001

... Respondent No.2

3. Power Grid Corporation of India Limited Through its Chairman and Managing Saudamini, Plot No.2, Sector 29, Near IFFCO Chowk, Gurgaon - 122 001

... Respondent No.3

Power System Operation Corporation 4. Limited Chairman and Managing Director B-9. Qutub Institutional Area Katwaria Sarai, New Delhi – 110 066 ... Respondent No.4

Central Electricity Authority Through its Chairperson R.K. Puram, New Delhi – 110 066 ... Respondent No.5

Gujarat Electricity Transmission Co. 6. Ltd. Through its Chairperson Sardar Patel Vidyut Bhavan Race Course Circle Vadodara, Gujarat – 390 007

... Respondent No.6

7. Maharashtra State Electricity Transmission Co. Ltd. Through its Chairman and Managing Director Prakash Gad, Bandra East Mumbai, Maharashstra – 400 051

... Respondent No.7

West Bengal State Electricity-8. Transmission Co. Ltd.

Vidyut Bhavan, Bidhannagar Block DJ, Sector –II, Kolkata – 700 091

... Respondent No.8

9. Jharkhand Urja Sancharan Nigam Limited Through its Managing Director Sardar Patel, Vidyut Bhawan Race Course Circle Vadodara, Gujarat – 390 007

... Respondent No.9

 Ratnagiri Gas and Power Private Limited Through its General Manager 5<sup>th</sup> Floor, GAIL, Jubliee Tower, B-35-36 Sector – 1, NOIDA (U.P.) – 201 301

... Respondent No.10

11 Uttar Pradesh Power Corporation Limited Through its Managing Director Shakti Bhawan,14, Ashok Marg, Lucknow, UP, India, U.P. 226001

... Respondent No.11

12 Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO)
Through its Chairman cum Managing Director
10th Floor, NPKRR Maaligai, 144, Anna Salai, Chennai,-600002

Respondent No.12

13 Grid Corporation of Odisha Limited (GRIDCO)
The Managing Director
Janpath, Bhubaneshwar, Bhoi Nagar
Odisha-751022

Respondent No.13

14 Madhya Pradesh Power Management Company Limited

The Managing Director Shakti Bhawan Road. MPSEB Colony, Rampur, Jabalpur, MADHYA ... Respondent No.14 PRADESH, -482008

Counsel on record for the Appellant(s):

Aniket Prasoon Abhishek Kumar Srishti Rai

Counsel on record for the Respondent(s):

Dhananjay Baijal For Res1 Pulkit Agarwal For Res2 Suparna Srivastava For Res3 M.Y. Deshmukh For Res7 Rajiv Srivastava For Res11 S.Vallinayagam For Res12 Arijit Maitra For Res13 Aditya Singh For Res14

#### **APPEAL NO.320 OF 2018**

#### In the matter of:

Punjab State Power Corporation Ltd. Through Chief Engineer ARR &TR, Patiala 147 001

... Appellant(s)

#### Versus

1. Punjab State Electricity Regulatory Commission Through its Secretary SCO 220-221, Sector 34-A. Chandigarh – 160 022

... Respondent No.1

2. The Northern Railways, (Ambala Division) Through its Chief Electrical Distribution Engineer, Baroda House, New Delhi - 110 001

... Respondent No.2

Punjab State Transmission Corp. Ltd. Through its Managing Director The Mall Patiala - 147 001

... Respondent No.3

Page 4 of 387

Counsel on record for the Appellant(s)

Suparna Srivastava For App1

Counsel on record for the Respondent(s)

Sakesh Kuma For Res1

Pulkit Agarwal For Res2

Anand K. Ganesan Swapna Seshadri Neha Garg Parichita Chowdhury For Res3

## APPEAL NO.114 OF 2020 & IA NOS. 635 OF 2020 & 654 OF 2023

#### In the matter of:

Indian Railways
Represented by East Coast Railway,
Through the Chief Electrical
Distribution Engineer, Rail Sadan, 3<sup>rd</sup>
Floor, South Block,
Chandrasekharpur,
Bhubaneswar – 751 017

... Appellant(s)

#### Versus

 Odisha Power Transmission Corporation Limited, Through its Chairman and Managing Director Janpath, Bhubaneswar – 751 022

Respondent No.1

 State Load Despatch Centre, Through its Chief Load Despatcher Odisha Power Transmission Corporation Limited, Mancheswar GRIDCO Colony, Bhubaneswar – 751 017

Respondent No.2

Grid Corporation of Orissa Limited (GRIDCO), Through its Chairman and Managing Director Janpath, Bhubaneswar – 751 022 ... Respondent No.3

TP Central Odisha Distribution Limited 4. (Erstwhile known as Central Electricity Supply Utility of Orissa) Through its Head (Legal Services) 2nd Floor, IDCO TOWER, Janpath, Bhubaneswar -751022 ... Respondent No.4

Western Electricity Supply Company 5. of Orissa Ltd. (WESCO Utility) Through its Authorised Officer Dist - Sambalpur , Burla- 768017 ... Respondent No.5

North Eastern Electricity Supply Company of Odisha Limited (NESCO Utility) Through its Authorised Officer Janugani, Balasore -756019

... Respondent No.6

SOUTHCO Utility 7. Through its Authorised Officer Courtpeta, Berhampur, Ganjam, Orissa - 760 004

... Respondent No.7

8. Government of Odisha, Through Department of Energy, Secretariat Building, Bhubaneswar

... Respondent No.8

Eastern Region Load Despatch 9. Centre (ERLDC) Through its General Manager, 14, Golf Club Road, Tollygunje, Kolkata - 700 033

... Respondent No.9

 Shri. Akshya Kumar Sahani, Retd. Electrical Inspector, Government of Odisha, B/L-108, VSS Nagar, Bhubaneswar – 751 007

Respondent No.10

11. Odisha Electricity Regulatory
Commission
Through its Secretary
Bidyut Niyamak Bhawan,
Plot No.4, Chunukoli, Shailashree
Vihar, Bhubaneswar – 751 021

Respondent No.11

Counsel on record for the Appellant(s)

Pulkit Agarwal For App1

Counsel on record for the Respondent(s):

Sakesh Kumar

Gitanjali N Sharma For Res1

Rutwik Panda For Res11

Arijit Maitra For Res3

Anand Kumar Shrivastava Shruti Kanodia Shivam Sinha Anubhuti Sinha Chandrika Bhadu Nilesh Panda Anandini Sood Rahul Jajoo For Res4

Anand Kumar Shrivastava Shruti Kanodia Prabhat Kr. Shrivastava Shivam Sinha Ishita Jain Priya Goyal Nilesh Panda Amrita Bakhshi Rishika Garg Ankit Bhandari Akash Dash Anuja Jain For Res5

Anand Kumar Shrivastava Shruti Kanodia Prabhat Kr. Shrivastava Anuja Jain Ishita Jain Sam C. Mathew Priya Goyal Nilesh Panda Amrita Bakhshi Rishika Garg Ankit Bhandari

Akash Dash For Res6

Arunav Patnaik For Res8

### APPEAL NO. 73 OF 2021 & IA NO. 969 OF 2020

#### In the matter of:

Indian Railways
Represented by Southern Railway,
Through the Chief Electrical
Distribution Engineer,
Office of the Principal Chief Electrical
Engineer, Southern Railway, 7th Floor,
NGO Annex, Park Town,
Chennai 600 003

... Appellant(s)

#### Versus

 Kerala State Electricity Board Limited Through its Chairman and Managing Director, Vydyuthi Bhavanam, Pattom, Thiruvananthapuram – 695004 (Kerala)

... Respondent No.1

State Load Despatch Centre (Kerala)
 Through its Chief Engineer
 (Transmission & System Operation)

Kerala State Electricity Board Limited Kalamassery, Ernakulam- 683503

... Respondent No.2

3. Kerala State Electricity Regulatory Commission Through its Secretary KPFC Bhavanam, C.V. Raman Pillai Road, Vellayambalam Thiruvananthapuram 695010 (Kerala)

... Respondent No.3

Counsel on record for the Appellant(s)

Pulkit Agarwal For App1

Counsel on record for the Respondent(s)

P.V. Dinesh Mukund .P. Unny Sindhu T.P

Ashwini Kumar Singh For Res1

M. T. George For Res3

#### APPEAL NO. 213 OF 2021 & IA NO. 915 OF 2021

#### In the matter of:

Indian Railways Represented by West Central Railways, Through the Deputy Chief Electrical Engineer. GM Office, 3rd Floor. Annex Building. Indira Market. Jabalpur, Madhya Pradesh – 482 068 ... Appellant(s)

#### Versus

1. M. P. Poorv Kshetra Vidyut Vitaran Company Limited, Through its Managing Director, Block No. 7, Shakti Bhawan, Rampur, Jabalpur – 482008

... Respondent No.1

2. M. P. Paschim Kshetra Vidyut Vitaran

Company Limited, Through its Managing Director, GPH Compound, Pologround, Indore – 452001

... Respondent No.2

 M. P. Madhya Kshetra Vidyut Vitaran Company Limited, Through its Managing Director, Nishtha Parisar, Govindpura, Bhopal – 462023

... Respondent No.3

 M.P. Power Transmission Company Limited, Through its Managing Director, Block No. 2, Shakti Bhawan, Rampur, Jabalpur – 482008

. Respondent No.4

State Load Despatch Centre (SLDC)
 M.P. Power Transmission Company
 Limited,
 Through its Chief Engineer
 Block No. 2, Shakti Bhawan,
 Rampur, Jabalpur – 482008

.. Respondent No.5

 Madhya Pradesh Electricity Regulatory Commission
 Through its Secretary
 5<sup>th</sup> Floor, Metro Plaza, Arera Colony, Bittan Market, Bhopal 462 016

... Respondent No.6

Counsel on record for the Appellant(s)

Pulkit Agarwal For App1

Counsel on record for the Respondent(s)

Alok Shankar For Res1

Alok Shankar

Divya Anand For Res2

Alok Shankar For Res3

Aashish Anand Bernard

## APPEAL NO. 170 OF 2019 & IA NO. 709 OF 2019 & IA NO. 809 OF 2021,

#### In the matter of:

Indian Railways
Represented by West Central Railways,
Through the Principal Chief Electrical
Engineer,
GM Office, 3<sup>rd</sup> Floor,
Annex Building, Indira Market, Jabalpur,
Madhya Pradesh – 482 068

... Appellant(s)

#### Versus

 Jaipur Vidyut Vitaran Nigam Limited, Through its Managing Director, Vidyut Bhawan, Jyoti Nagar, Jaipur – 302005 Rajasthan

... Respondent No.1

Rajasthan Electricity Regulatory
 Commission
 Through its Secretary
 Vidyut Viniyamak Bhawan
 (Near State Motor Garage),
 Sahakar Marg, Jaipur – 302005,
 Rajasthan

Respondent No.2

Punjab State Power Corporation Ltd.
 Through its Dy. CE/Power Regulations
 Shed No. T-1, Thermal Design
 Complex,
 Shakti Vihar, Patiala – 147 001, Punjab ...

... Respondent No.3

Counsel on record for the Appellant(s)

Ranjitha Ramachandran Pulkit Agarwal Poorva Saigal Shubham Arya Anushree Bardhan For App1

Counsel on record for the Respondent(s)

: Sandeep Pathak For Res1

C.K. Rai For Res2

Suparna Srivastava For Res3

### APPEAL NO. 343 OF 2019 & IA NO. 1787 OF 2019

#### In the matter of:

Indian Railways
Represented through Dy. CEE/TRD/HQ
Central Railways, Electrical Branch
Second Floor, Parcel Office Building
Mumbai – 400 001

Appellant(s)

#### Versus

1. Maharashtra Electricity Regulatory
Commission
Through its Secretary
World Trade Centre, Centre No.1,
13th Floor, Cuffe Parade,
Mumbai-400005

... Respondent No.1

 Tata Power Company Limited (Distribution) Through its Managing Director Mumbai House, 21, Homi Modi Street Mumbai – 400 001

... Respondent No.2

Counsel on record for the Appellant(s)

Pulkit Agarwal For App1

Counsel on record for the Respondent(s)

Pratiti Rungta For Res1

Shri Venkatesh Nishtha Kumar Somesh Srivastava Vikas Maini Suhael Buttan

#### APPEAL NO.133 OF 2020 & IA NOS. 934 OF 2020, 873 OF 2021 & 709 OF 2023

#### In the matter of:

Indian Railways
Represented by Northern Railway,
Through the Deputy Chief Electrical
Engineer/TRD/HQ,
Headquarters Office, Northern
Railway,

Baroda House, New Delhi – 110 001 ... Appellant(s)

#### Versus

 Dakshin Haryana Bijli Vitran Nigam Limited, Through its Chairman and Managing Director, Vidyut Sadan, Vidyut Nagar, Hisar -125 005 (Haryana)

Respondent No.1

 Haryana Vidyut Prasaran Nigam Limited, Through its Managing Director, Shakti Bhawan, Sector – 6, Panchkula – 134 109 (Haryana)

. Respondent No.2

 Haryana Electricity Regulatory Commission Through its Secretary Bays No. 33-36, Sector – 4 Panchkula, Haryana – 134 112

Respondent No.3

Counsel on record for the Appellant(s)

Pulkit Agarwal For App1

Counsel on record for the Respondent(s)

Samir Malik Divya Anand Rimali Batra Nikita Choukse For Res1

Rimali Batra Nikita Choukse Samir Malik Divya Anand For Res2

Sandeep Kumar Mahapatra For Res3

#### JUDGMENT

## PER HON'BLE MR. JUSTICE RAMESH RANGANATHAN, CHAIRPERSON

### I.INTRODUCTION:

Indian Railways, a part of the Central Government, operates India's national railway system - the fourth largest national railway system in the world. The railway operations are integrated across the country with 1,28,305 Kms of running track, of which more than 67,452 kms was electrified as on 31.03.2022. The Railways Act, 1989 was enacted by Parliament under Entries 22 and 30 of List I of the Seventh Schedule to the Constitution of India. While Entry 22 of List I of the Seventh Schedule relates to "Railway", Entry 30 thereof relates, among others, to "carriage of passengers and goods by Railway". Prior thereto, the Indian Railways Act, 1890 governed the field. The Electricity Act, 2003 was enacted by Parliament under Entry 38 of List III of the Seventh Schedule to the Constitution of India, which entry relates to "Electricity".

The crux of the dispute, in this batch of appeals, is whether Indian Railways is a deemed distribution licensee under the third proviso to Section 14 of the Electricity Act and, if so, whether it is still required to pay

Deemed Distribution Licensee status of the Railways, for adjudicating the aspects on the entitlement of Railways to seek open access for the use of inter-state transmission system as defined under Section 2(36) of the Electricity Act, 2003.

#### XVI.CONCLUSION:

For the reasons afore-mentioned, it is held that Indian Railways is not a deemed distribution licensee falling within the ambit of the third proviso to Section 14 of the Electricity Act as it does not distribute/ supply electricity (ie sell electricity to consumers for a price) as required of a distribution licensee under the Electricity Act; and, even otherwise, as the entire electricity which it receives from the Grid is completely consumed by it and its constituents, it is required to pay additional/cross-subsidy surcharge to different distribution licenses under Section 42 of the Electricity Act, if it chooses to procure electricity from sources other than the concerned distribution licensees within whose area of supply it is situated.

Appeal No. 276 of 2015, filed by the West Bengal State Electricity Distribution Company Ltd against the Order passed by the Central Electricity Regulatory Commission in Petition No. 197/MP/2015 dated 05.11.2015, and (2) Appeal No. 320 OF 2018 filed by the Punjab State Power Corporation Ltd against the Order passed by the Punjab State Electricity Regulatory Commission in Petition No. 3 of 2017 dated 28.02.2018, are allowed to the extent indicated in this Order.

Appeal No. 114 OF 2020 filed by Indian Railways against the Order passed by the Odisha Electricity Regulatory Commission in Petition No. 55 of 2016 dated 25.02.2020, (2) Appeal No. 73 of 221 filed by Indian

Railways against the Order passed by the Kerela State Electricity Regulatory Commission in OP.No. 31/19 dated 12.12.2019, (3) Appeal No. 213 of 2021 filed by Indian Railways against the order passed by the Madhya Pradesh Electricity Regulatory Commission in Petition No. 11 of 2020 dated 05.05.2021, (4) Appeal No. 170 of 2019 filed by Indian Railways against the order passed by the Rajasthan Electricity Regulatory Commission in Petition No. RERC-1452/19 dated 23.04.2019, (5) Appeal No. 343 of 2019 filed by Indian Railways against the order passed by the Maharashtra Electricity Regulatory Commission in Petition No. 154 of 2019 dated 05.04.2019, and (6) Appeal No. 133 of 2020 filed by Indian Railways against the order passed by the Haryana Electricity Regulatory Commission in Petition No. HERC/PRO-11 of 2017 dated 17.06.2020, are however dismissed to the extent indicated in this Order.

All the Appeals and other pending IAs are disposed of accordingly.

Pronounced in the open court on this 12th day of February, 2024.

(Sandesh Kumar Sharma) Technical Member (Justice Ramesh Ranganathan) Chairperson

REPORTABLE/NON-REPORTABLE

tpd/mk