

**KARNATAKA ELECTRICITY REGULATORY COMMISSION
BANGALORE**

Notification No: K.E.R.C. /COS/D/07/08 dated: 14.3.2008

Published in Page 1371 to1380 of Part 3 of the Karnataka Gazette dated.20th
March 2008.

**Amendments to the various Clauses of Conditions of Supply of Electricity of
the Distribution Licensees in the State of Karnataka**

PREAMBLE

K.E.R.C., vide its order No.D/07/4/901 dated: 2.6.2006, has communicated approval to ESCOMs to notify the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka in the Gazette and the same is notified in the Karnataka Gazette on 17th June 2006. BESCOM has represented to the Commission on 25th Oct. 2007 regarding certain difficulties being experienced in implementation of a few Clauses of Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka and has sought approval for amendment. In the meanwhile, the Ministry of Power, Govt. of India has issued amendment to the Electricity Act 2003 on 13.6.2007. These amendments are required to be incorporated in the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka. The notification dated: 7th Feb. 2005 issued by the Govt. of Karnataka in respect of Appellate Authority for redressal of Appeal cases has also been superseded by notification dated: 22nd May 2007. This also necessitates amendments to the existing Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka

In order to incorporate the above, draft amendments to the appropriate clauses were issued by the Commission and were circulated among all the Stakeholders to elicit their views / suggestions and comments. The Commission has received response from 9 persons, which include BESCOM and HESCOM. The Commission has considered these views / suggestions and has finalized the amendments.

In exercise of the powers conferred by section 16 of the Electricity Act 2003 (Central Act 36 of 2003) read with Condition 7.3 of the K.E.R.C. (Conditions of Licence for ESCOMs) Regulations, 2004 and all powers enabling it in that behalf, the Karnataka Electricity Regulatory Commission hereby makes the amendments to the following clauses of Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka.

I. Title and commencement:

- a) This may be called the First amendment to the Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka.
- b) This shall extend to the whole of the state of Karnataka
- c) This shall apply to all the Licensees engaged in the business of distribution of electricity under Section 14 of the Electricity Act, 2003 and the Consumers of electricity.
- d) This shall come into force from the date of publication in the official gazette of Karnataka and will be in force unless amended otherwise.

II. Amendments to the following clauses of Conditions of Supply of Electricity of the Distribution Licensees in the State of Karnataka as in column 3 of the Table below shall stand substituted by the provisions as in column 4 of the Table below.

Sl.No.	Clause No.	As existing	As Amended
1	2	3	4
1	4.02(4)	Power supply from only one source	Power supply to building /premises

		shall be provided to the premises of the Applicant.	either HT or LT or combination of HT< through separate distinct service mains can be arranged from a single source with the provision of a common isolation point. The service main cables shall have distinct identity and separation. Metering arrangements shall be at the ground floor only. Power supply to different types of consumers in building/premises can be arranged through separate VLs having common isolation point. While doing so, the Licensee shall obtain an undertaking from the Consumer / Consumers for ensuring safety arising out of providing supply to that premises through different services.
2	4.04 (x)	In Bangalore, Mysore, Mangalore and Hubli-Dharwad, and Shimoga - Bhadravathi Corporation limits and at such other places as may be notified by the Licensee from time to time with due approval of the Commission, the service main shall be laid by underground cables only.	<p>In the following places and at such other places as may be notified by the Licensee from time to time with due approval of the Commission, the service main shall be laid by under ground cables only: -</p> <p style="text-align: center;"><u>BESCOM :</u></p> <ol style="list-style-type: none"> 1) Bruhat Bangalore Mahanagara Palike area. 2) Chitradurga CMC area. 3) Davanagere CMC area. 4) Tumkur CMC area. 5) Kolar CMC area. 6) Robertsonpet CMC area. <p style="text-align: center;"><u>CESC:</u></p> <ol style="list-style-type: none"> 1) City Municipal Corporation area of Mysore City. 2) Hassan CMC area. 3) Mandya CMC area. 4) Chamarajanagar CMC area. <p style="text-align: center;"><u>GESCOM:</u></p> <ol style="list-style-type: none"> 1) Municipal Corporation area of Gulbarga. 2) Yadgir TMC area. 3) Shahabad TMC area. 4) Bidar CMC area. 5) Basavaklyan TMC area. 6) Raichur CMC area. 7) Sindhanur TMC area. 8) Koppal TMC area. 9) Gangavathi CMC area. 10) Hospet CMC area. 11) Bellary CMC area.

			<p><u>HESCOM :</u></p> <ol style="list-style-type: none"> 1) Municipal Corporation area of Hubli-Dharwad. 2) Municipal Corporation area of Belgaum. 3) Bijapur CMC area. 4) Gadag-Betgeri CMC area. <p><u>MESCOM :</u></p> <ol style="list-style-type: none"> 1) Municipal Corporation area of Mangalore. 2) Shimoga CMC area. 3)Bhadravathi CMC area. 4) Udupi CMC area. 5) Chikkamagalur CMC area
3	9.07 (5)	Suitable and easily accessible space near the main entrance shall be provided at a height of 0.6 Mt to 1.6 Mt above the ground level for energy metering at the ground floor /cellar floor	Suitable and easily accessible space near the main entrance shall be provided at a height of 0.6 Mt to 1.6 Mt above the ground level for energy metering at the ground floor only . However, this is not applicable to the existing installations where power supply has already been provided.
4	9.07 (9)	For calculation purposes, all fractional loads shall be rounded off to the nearest quarter KW. Ex. (i) 7.1 KW to be rounded off to 7.0 KW (ii) 7.15 KW to be rounded off to 7.25 KW.	For the purpose of calculation of load, fraction of a KW shall be rounded off to next higher KW
5	32.04(ii)	The initial Agreement period of the power supply Agreement shall be as noted below: - (ii) All HT installations: 5 years	The initial Agreement period of the power supply Agreement shall be as noted below: - (ii) All HT installations: 2 years
6	34.02	Reduction in contract demand / sanctioned load: (Except IP set Installations under LT category) During the Agreement period initial or extended, the Consumer is entitled to get his contract demand / sanctioned load reduced by executing a fresh Agreement. The reduction shall be given effect to from the meter reading date following the expiry of two months period from the date of registration of his application for reduction of contract demand / sanctioned load along with fresh Agreement for reduced contract demand / sanctioned load duly making payment of registration cum processing fee as prescribed under Clause. 30.01. However, the	Reduction in contract demand / sanctioned load/ Surrender of RR No (Installation): (Except IP set Installations under LT category) During the Agreement period initial or extended, the Consumer is entitled to get his contract demand / sanctioned load reduced by executing a fresh Agreement. The reduction shall be given effect to from the meter reading date following the expiry of two months period from the date of registration of his application for reduction of contract demand / sanctioned load along with fresh Agreement for reduced contract demand / sanctioned load duly making payment of registration cum processing fee as prescribed under Clause. 30.01.

		<p>Consumer shall continue to pay minimum charges if any, till the expiry of the initial Agreement period.</p> <p>The same Conditions shall also be applicable for requisitions in case of temporary reduction of contract demand / sanctioned load as per provision in power supply Agreements subject to a maximum period of six months only.</p> <p>Note: The officers who are empowered to sanction permanent power supply are also empowered to approve reduction of CD/sanctioned load to the same extent.</p>	<p>The same Conditions shall also be applicable for requisitions in case of temporary reduction of contract demand / sanctioned load as per provision in power supply Agreements subject to a maximum period of six months only.</p> <p>Note: The officers who are empowered to sanction permanent power supply are also empowered to approve reduction of CD /sanctioned load to the same extent.</p>
7	39.02	<p>The Licensee shall permit conversion of an existing HT installation to an LT installation if the sanctioned load is less than 50 KW / 67 HP subject to the following Conditions.</p> <p>a) An application shall be made.</p> <p>b) A fresh Agreement applicable to the LT class of supply shall be executed and other requirements as may be applicable to this class of supply shall be complied with.</p> <p>c) Arrangement shall be made by the Consumer for installation of the LT metering equipment at a suitable place acceptable to the Licensee</p> <p>d) The LT Tariff shall be applicable from the meter reading date following the date of service on LT and the HT Agreement stands terminated from that date.</p> <p>e) This is not permitted with in the initial guaranteed period.</p> <p>f) Contractor's completion-cum-test report shall be furnished if there is any change in the wiring.</p> <p>g) The Consumer shall pay the charges for conversion as per Clause 30.12 (c) as applicable to the category of installation.</p>	<p>The Licensee shall permit conversion of an existing HT installation to an LT installation if the sanctioned load is less than 50 KW / 67 HP subject to the following Conditions.</p> <p>a) An application shall be made.</p> <p>b) A fresh Agreement applicable to the LT class of supply shall be executed and other requirements as may be applicable to this class of supply shall be complied with.</p> <p>c) Arrangement shall be made by the Consumer for installation of the LT metering equipment at a suitable place acceptable to the Licensee</p> <p>d) The LT Tariff shall be applicable from the meter reading date following the date of service on LT and the HT Agreement stands terminated from that date.</p> <p>e) This is not permitted with in the initial guaranteed period.</p> <p>f) Contractor's completion-cum-test report shall be furnished if there is any change in the wiring.</p> <p>g) The Consumer shall pay the charges for conversion as per Clause 30.12 (c) as applicable to the category of installation.</p> <p>Note: However, the maximum load limit in case of commercial or mixed loads and residential apartments /</p>

			complexes shall be adhered to as stipulated under Note (a) of Clause 3.1.1 (A) of K.E.R.C. (Recovery of Expenditure for Supply of Electricity) Regulations, 2004 as amended from time to time.
8	42.01(i) (a)	<p>IN CASE OF INSTALLATIONS WITH ELECTRONIC TRIVECTOR METER AND <u>OPTED FOR DEMAND BASED TARIFF</u>: -</p> <p>If the Maximum Demand recorded is in excess of the sanctioned load indicated in the power supply Agreement, the Consumer shall on demand pay to the Licensee for such extra-recorded demand, at one and half times the Tariff applicable. The penal charges shall be restricted to that particular month only.</p>	<p>IN CASE OF INSTALLATIONS WITH ELECTRONIC TRIVECTOR METER AND <u>OPTED FOR DEMAND BASED TARIFF</u>:</p> <p>If the Maximum Demand recorded is in excess of the sanctioned load indicated in the power supply Agreement, the Consumer shall on demand pay to the Licensee for such extra-recorded demand, at two times the Tariff applicable. The penal charges shall be restricted to that particular month only.</p>
9	42.01(ii)	<p>IN CASE OF INSTALLATIONS WITH ELECTRONIC TRIVECTOR METER AND <u>NOT OPTED FOR DEMAND BASED TARIFF</u></p> <p>In the case of existing installations where an Electro Mechanical Meter is replaced by an Electronic Trivector Meter, if the M.D. recorded is in excess of the sanctioned load that is indicated in the power supply Agreement, during the very first month's meter reading immediately after fixing the Electronic Trivector Meter, then the Consumer shall on demand pay to the Licensee for such extra recorded demand at one and half times the Tariff applicable for such period as may be deemed justified in the circumstances of any given case subject to a maximum period of six months.</p>	<p>IN CASE OF INSTALLATIONS WITH ELECTRONIC TRIVECTOR METER AND <u>NOT OPTED FOR DEMAND BASED TARIFF</u></p> <p>In the case of existing installations where an Electro Mechanical Meter is replaced by an Electronic Trivector Meter, if the M.D. recorded is in excess of the sanctioned load that is indicated in the power supply Agreement, during the very first month's meter reading immediately after fixing the Electronic Trivector Meter, then the Consumer shall on demand pay to the Licensee for such extra recorded demand at two times the Tariff applicable for such period as may be deemed justified in the circumstances of any given case subject to a maximum period of six months.</p>
10	42.01(iii)	<p>(iii) IN ALL OTHER CASES</p> <p>If at any time, the connected load of an installation is un-authorisedly increased in excess of the sanctioned load indicated in the power supply Agreement, or, if the rated load at any time is in excess of the sanctioned load, then, the Consumer shall on demand, pay to</p>	<p>(iii) IN ALL OTHER CASES</p> <p>If at any time, the connected load of an installation is un-authorisedly increased in excess of the sanctioned load indicated in the power supply Agreement, or, if the rated load at any time is in excess of the sanctioned load, then, the Consumer shall on demand, pay to the Licensee</p>

		the Licensee for such excess connected load / rated load exceeding the load indicated in the Agreement (Unauthorized load) at one and half times the Tariff applicable for such period as may be deemed justified in the circumstances of any given case subject to a maximum period of 6 months.	for such excess connected load / rated load exceeding the load indicated in the Agreement (Unauthorized load) at two times the Tariff applicable for such period as may be deemed justified in the circumstances of any given case subject to a maximum period of 6 months.
11	42.02 (a)	If at any time, the energy supplied under <u>one method of charging is misused for purpose for which a higher method of charging is in force</u> , the Assessing officer shall assess the quantum of energy and difference in fixed charges for such period as may be justified in the circumstances of any given case subject to a maximum of 6 months and charge at one and half times the Tariff applicable to the purpose for which the energy is misused. The Consumer shall pay such amount within thirty days from the date of claim, failing which, the installation is liable for disconnection and such amount shall be deemed to be arrears of electricity charges.	If at any time, the energy supplied under <u>one method of charging is misused for purpose for which a higher method of charging is in force</u> , the Assessing officer shall assess the quantum of energy and difference in fixed charges for such period as may be justified in the circumstances of any given case subject to a maximum of 6 months and charge at two times the Tariff applicable to the purpose for which the energy is misused. The Consumer shall pay such amount within thirty days from the date of claim, failing which, the installation is liable for disconnection and such amount shall be deemed to be arrears of electricity charges.
12	42.02 (b)	From the date of detection till such time the misuse is discontinued and reported by the Consumer to the Licensee in writing or the loads are suitably bifurcated by complying with the relevant requirements of the Licensee, the higher Tariff shall be applicable at one and half times the Tariff applicable on the proportionate consumption and Demand charges / Fixed charges of the installation. The entitlement shall be revised, as applicable, to the higher Tariff in case of period of power cut.	From the date of detection till such time the misuse is discontinued and reported by the Consumer to the Licensee in writing or the loads are suitably bifurcated by complying with the relevant requirements of the Licensee, the higher Tariff shall be applicable at two times the Tariff applicable on the proportionate consumption and Demand charges / Fixed charges of the installation. The entitlement shall be revised, as applicable, to the higher Tariff in case of period of power cut.
13	42.03 (a)	If at any time, the maximum demand recorded exceeds the Contract Demand or the Demand Entitlement during the periods of power cut in case of HT Installation and sanctioned load in case of LT installation the Consumer shall pay for the quantum of excess demand at one and half times the Tariff	If at any time, the maximum demand recorded exceeds the Contract Demand or the Demand Entitlement during the periods of power cut in case of HT Installation and sanctioned load in case of LT installation the Consumer shall pay for the quantum of excess demand at two times the Tariff applicable per

		applicable per KVA / HP per month as penal charges.	KVA / HP per month as penal charges.
14	42.05	<p>If at any time, energy supplied to a Consumer / premises is found extended unauthorisedly to some other person / premises, the installation shall be disconnected forthwith. The installation shall be reconnected only after unauthorised extension of supply is removed and reported by the Consumer. Further, the Assessing Officer, shall assess the quantum of energy and excess load so extended and charge for that quantum for such period as may be deemed justified in the circumstances of any given case subject to a maximum period of 6 months, at one and half times the Tariff applicable for the purpose for which the energy is so extended.</p> <p>Such amount shall be paid within thirty days from the date of final order, failing which, the installation shall be disconnected, and such amount shall be deemed to be arrears of electricity charges.</p> <p>Note: 1) If the Assessing officer comes to the conclusion that unauthorized use of electricity has taken place, it shall be presumed that such unauthorized use of electricity was continuing for a period of three months immediately preceding the date of inspection in case of domestic and agricultural services and for a period of six months immediately preceding the date of inspection for all other categories of services, unless the onus is rebutted by the person, occupier or possessor of such premises or place.</p>	<p>If at any time, energy supplied to a Consumer / premises is found extended unauthorisedly to some other person / premises, the installation shall be disconnected forthwith. The installation shall be reconnected only after unauthorised extension of supply is removed and reported by the Consumer. Further, the Assessing Officer, shall assess the quantum of energy and excess load so extended and charge for that quantum for such period as may be deemed justified in the circumstances of any given case subject to a maximum period of 6 months, at two times the Tariff applicable for the purpose for which the energy is so extended.</p> <p>Such amount shall be paid within thirty days from the date of final order, failing which, the installation shall be disconnected, and such amount shall be deemed to be arrears of electricity charges.</p> <p>Note: 1) If the Assessing officer reaches to the conclusion that unauthorized use of electricity has taken place, the assessment shall be made for the entire period during which such unauthorized use of electricity has taken place and if, however, the period during which such unauthorized use of electricity has taken place can not be ascertained, such period shall be limited to a period of 12 months immediately preceding the date of inspection.</p>
15	42.06 (b) Note (2)	In case of I.P. Sets where theft of power either by direct hooking or new connection serviced without sanction or installing of higher Horse Power Motor is noticed, the back billing charges at one and half times the highest energy rate prescribed for the metered category of I.P. Sets shall be levied for a period of three months.	In case of I.P. Sets where theft of power either by direct hooking or new connection serviced without sanction or installing of higher Horse Power Motor is noticed, the back billing charges at two times the highest energy rate prescribed for the metered category of I.P. Sets shall be levied for a period of three months.

16	42.07 (2)	<p>Any person served with the order of provisional assessment, may, accept such assessment and deposit the assessed amount with the licensee within seven days of service of such provisional assessment order upon him:</p> <p>Provided that in case the person deposits the assessed amount he shall not be subjected to any further liability or any action by any authority whatsoever.</p>	<p>Any person served with the order of provisional assessment, may, accept such assessment and deposit the assessed amount with the licensee within seven days of service of such provisional assessment order upon him.</p>
17	42.07 (3)	<p>The person, on whom the order has been served shall be entitled to file objections, if any, against the provisional assessment before the Assessing officer within 15 days, who may, after affording a reasonable opportunity of hearing to such person, pass a final order of assessment of the electricity charges payable by such person.</p>	<p>The person, on whom the order has been served shall be entitled to file objections, if any, against the provisional assessment before the Assessing officer, within 15 days, who shall, after affording a reasonable opportunity of hearing to such person, pass a final order of assessment within 30 days from the date of service of such order of provisional assessment of the electricity charges payable by such person.</p>
18	44.02	<p>No appeal against an order of assessment under made as per Clause 42.07 of these Conditions shall be entertained unless an amount equal to one third of the assessed amount is deposited in cash or by way of bank draft with the Licensee and documentary evidence of such deposit has been enclosed along with the appeal</p>	<p>No appeal against an order of assessment under made as per Clause 42.07 of these Conditions shall be entertained unless an amount equal to half of the assessed amount is deposited in cash or by way of bank draft with the Licensee and documentary evidence of such deposit has been enclosed along with the appeal</p>
19	HT Agreement Para 2 (j)	<p>Subject to the provisions of the Act, the “Conditions of Supply” and any other law for the time being in force, the supply under this Agreement shall be valid initially for a period of five years from the date of commencement of supply and shall stand automatically renewed from year to year thereafter until expressly terminated in writing by either of the parties.</p>	<p>Subject to the provisions of the Act, the “Conditions of Supply” and any other law for the time being in force, the supply under this Agreement shall be valid initially for a period of Two years from the date of commencement of supply and shall stand automatically renewed from year to year thereafter until expressly terminated in writing by either of the parties.</p>

Sl.No 20**Clause No. 44.04****As Existing****Column: 3**

The Government of Karnataka has designated the following Appellate Authorities vide notification No. DE 100 PSR 203/90 dated: 7th Feb 2005.

Sl. No	Amount of Assessment	Appellate Authority
1	Amount of Assessment not exceeding Rs. 2,50,000/-	Superintending Engineer (Electrical) of the respective ESCOM.
2	Amount of Assessment exceeding Rs. 2,50,000/- but not exceeding Rs. 5,00,000/-	Area Chief Engineer of ESCOM.
3	Amount of Assessment exceeding Rs. 5,00,000/-	Managing Director of ESCOM.

Clause No. 44.04**As Amended****Column: 4**

The Government of Karnataka has designated the following Appellate Authorities vide notification No. EN 52 PSR 2007 dated: 22nd May 2007.

Sl. No	Appeals pertaining to	Not exceeding Rs. 2,50,000/-	Exceeding Rs. 2,50,000/- but not exceeding Rs. 5,00,000/-	Exceeding Rs. 5,00,000/-
1	BESCOM	SEE of MESCOM or an officer of equivalent rank	CEE of MESCOM or an officer of equivalent rank	D (T) & F.A of MESCOM or an officer of equivalent rank
2	MESCOM	SEE of CESC or an officer of equivalent rank	CEE of CESC or an officer of equivalent rank	D (T) & F.A of CESC or an officer of equivalent rank
3	CEC	SEE of BESCOM or an officer of equivalent rank	CEE of BESCOM or an officer of equivalent rank	D (T) & F.A of BESCOM or an officer of equivalent rank
4	HESCOM	SEE of GESCOM or an officer of equivalent rank	CEE of GESCOM or an officer of equivalent rank	D (T) & F.A of GESCOM or an officer of equivalent rank
5	GESCOM	SEE of HESCOM or an officer of equivalent rank	CEE of HESCOM or an officer of equivalent rank	D (T) & F.A of HESCOM or an officer of equivalent rank

By order of the Commission

**Secretary
Karnataka Electricity Regulatory Commission.**

