KARNATAKA ELECTRICITY REGULATORY COMMISSION
No. 16 C-I, Miller Tank Bed Area, Vasanth Nagar, Bengaluru- 560 052

NOTIFICATION
No: KERC/17/ReO/DDD/22-23/539, dated 22.07.2022

Preamble

Whereas, the Section 46 of the Electricity Act, 2003, empowers the State Commission to authorize by way of Regulations, a Distribution Licensee to charge from a person requiring supply of electricity in pursuance of the Section 43, any expenses reasonably incurred in providing any electrical line or plant used for the purpose of giving that supply, the Commission by virtue of the said powers read with Section 181 of the Act has notified the “KERC, (Recovery of Expenditure for the Supply of Electricity) Regulations, 2004” which has been amended from time to time.

The Commission has been frequently receiving the complaints from the applicants/consumers that the Distribution Licensees are not arranging Power Supply to the buildings formed in the unapproved layouts/ Revenue sites/ Farm houses. Further, the Consumers participating in the public hearings conducted by the Commission have also brought this fact before the Commission that they are facing difficulties in getting power supply to their buildings in such layouts/areas.

The Commission is of the view that that there is a universal obligation on the part of the Distribution Licensees to supply electricity on request by the owner or occupier of any premises as mandated in the relevant provisions of the Electricity Act, 2003 and the Regulations framed thereunder. It is the responsibility of the concerned local authorities as provided under the different enactments to take appropriate action to curb the construction of un-authorized buildings. Therefore, providing the essential service to the applicants/consumers seeking supply of electricity is more important as obligated under the Electricity Act 2003.

Considering the above, the Commission deemed it appropriate to bring in suitable amendments to the existing KERC (Recovery of Expenditure for Supply of Electricity) Regulations, 2004.

In exercise of the powers conferred by Section 181 read with Section 46 and sub-section (2) of Section 43 of the Electricity Act 2003 (Central Act 36 of 2003) and all powers enabling it in that
behalf, the Karnataka Electricity Regulatory Commission has decided to issue the following draft Regulations further to amend KERC (Recovery of Expenditure for Supply of Electricity) Regulations, 2004, inviting comments / views / suggestions / objections from the stakeholders, general public and interested persons.

The Stakeholders / interested persons are requested to file their comments / views / suggestions / objections, if any, on the draft KERC (Recovery of Expenditure for Supply of Electricity) (twelfth Amendment) Regulations, 2022 on or before 10th August 2022, before the Commission to

The Secretary, KERC, # 16C-1,
Millers Tank Bed Area,
Vasanth Nagar,
Bengaluru 560 052.

Draft Amendments to the Recovery of Expenditure for Supply of Electricity

1. Title and commencement. –
   
a) This may be called the Recovery of Expenditure for Supply of Electricity (Twelfth Amendment) Regulations, 2022.

b) It shall come into force from the date of its publication in the Official Gazette of the Karnataka State.

c) It shall apply to all the Licensees engaged in the business of distribution of electricity and the consumers of electricity in the State of Karnataka.

2. In the KERC (Recovery of Expenditure for Supply of Electricity) Regulations, 2004, the existing clause mentioned in Column-2 of the table below shall be substituted/inserted by the Clauses mentioned in the Column-3:

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<td>Clause No:</td>
<td>Regulation as existing</td>
<td>Regulation as amended/inserted</td>
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| 3.2.5 | New | In case of layouts/revenue sites/farm houses, etc., which are not approved, where the infrastructure of Electrical line/plant is not developed within such layouts/sites, the Distribution Licensee shall arrange power supply to the applicants/consumers by recovering the expenditure from them towards electric line/plant, as per the Clause 3.2.3 (i), (ii), (iii),& (iv) of these Regulations.
Provided that if it is required to establish substation to arrange power supply to such layouts/sites with requisitioned load exceeding 7500 KVA, the Distribution Licensee shall also collect the charges towards establishing substation including the land cost as approved by the Commission. In such cases, the proposals indicating the cost to be borne by the applicants/consumers towards establishing the substation including land cost, shall be submitted for approval of the Commission. In such cases, in addition to these additional infrastructure charges, the distribution licensee shall recover the cost towards electrification of the layouts/sites as per the Clause 3.2.3 (i),(ii),(iii),&(iv) of these Regulations.

NOTE:
The Distribution Licensee shall obtain Indemnity Bond through undertaking from the applicants/consumers seeking power supply, indemnifying the Distribution Licensee from any loss arising from any litigations on account of arranging such power supply.

By the Approval of the Commission

Secretary
Karnataka Electricity Regulatory Commission

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