

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:707

ANSWERED ON:25.02.2011

NON-COMPLIANCE OF ELECTRICITY ACT, 2003

Vasava Shri Mansukhbhai D.;Yadav Shri M. Anjan Kumar

Will the Minister of POWER be pleased to state:

(a) whether several State Governments are not complying with the provisions of the Electricity Act, 2003 resulting in the exploitation of electricity consumers by the private companies;

(b) if so, the details thereof along with the reasons therefor; and

(c) the steps taken or proposed to be taken by the Union Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI K.C. VENUGOPAL)

(a) to (c): As per information available with the Ministry of Power, no instance of non-compliance of the provisions of the Electricity Act, 2003 by the State Governments resulting in the exploitation of electricity consumers by the private companies has been reported. The Electricity Act, 2003 makes comprehensive provisions seeking to protect the interests of consumers. The need for safeguarding consumers' interests has been articulated in the preamble of the Act which reads as follows:

‘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.’

The tariffs to be charged from the consumers by the distribution companies are regulated by the Appropriate Commission. The Act also provides for Consumer Grievance Redressal Forum and Ombudsman for redressal of grievances. The Standards of Performance of licensees are specified by the Appropriate Commission. Failure to comply with the standards makes the distribution licensees liable to pay compensation to the consumers/persons affected. Section 43 of the Act mandates the distribution licensees to give connection to supply electricity to consumers within the specified time period, failing which they are liable to a penalty. Section 50 of the Act requires the Regulatory Commissions to specify the electricity supply code.