

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:4409

ANSWERED ON:20.02.2014

PROVISIONS IN ELECTRICITY ACT

Choudhary Shri Harish;Jaiswal Shri Gorakh Prasad ;Singh Rajkumari Ratna;Yadav Shri M. Anjan Kumar

**Will the Minister of POWER be pleased to state:**

(a) whether there is any provision under the Electricity Act, 2003 to ensure quality, regularity and credibility of services to be provided by the private power distribution companies operating in the country;

(b) if so, the details thereof along with the details of the provisions in the said Act to take action against such companies that does not comply with the same;

(c) the details of the private power distribution companies against whom action has been taken under the said Act during each of the last three years and the current year along with the reasons therefor; and

(d) the outcome of the action taken in this regard?

**Answer**

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF POWER ( SHRI JYOTIRADITYA M. SCINDIA )

(a) & (b) : Section 86 (1)

(i) empowers the State Commissions to specify and enforce the standards with respect to quality, continuity and reliability of service by licensees. The State Commissions specify the Standards of Performance for all the distribution licensees including private distribution licensees under section 57 of the Electricity Act, 2003.

If a distribution licensee fails to meet the standards specified, it is liable to pay compensation to the person affected as may be determined by the Appropriate Commission. Further, section 142 of the Act provides for punishment for non-compliance of the directions by the Appropriate Commission. Relevant extracts of section 57 to 59, section 86 and section 142 of the Act are enclosed as Annex.

(c) & (d) : The Forum of Regulators has evolved model regulations on standards of performance for distribution licensees. The model regulations specify, inter-alia, the guaranteed standards of performance, which are the minimum standards of service that a distribution licensee shall achieve. The failure of licensee to achieve the guaranteed standards of service will entail payment of compensation to the consumer as specified in the model regulations. The Appropriate Commissions have been entrusted with the responsibility of overseeing the performance of the Discoms.