

No.25/25/2004-R&R(Pt)
Government of India
Ministry of Power

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Shram Shakti Bhawan, Rafi Marg,
New Delhi dated 11th February, 2005.

To,
The Secretary, Central Electricity Regulatory Commission / SERCs

Subject: Clarifications regarding security deposit for supply of electricity.

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Sir,

I am directed to say that a clarification has been sought from this Ministry about the provisions contained in sub-section (5) of section 47 of the Electricity Act, 2003. The said section read with clause (a) of sub-section (1) provides that a distribution licensee shall not be entitled to require security in respect of the electricity supplied to any person if the said person requiring the electricity is prepared to take the supply through a pre-payment meter.

A clarification has been sought from this Ministry as to whether in a situation where the distribution licensee has not started to supply through pre-payment meters, the consumer is entitled to exemption from payment of the security in respect of the electricity supplied to him. The matter has been considered in this Ministry and it is clarified that as and when distribution licensee provides a choice to consumers to opt for pre-paid meters, he will not be entitled to demand security from those consumers who are prepared to take supply of electricity through such meters.

Sd/-
(Jaideep Lakhtakia)
Desk Officer
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Copy to all State Governments (Energy Secretaries).