

Electricity Act

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Electricity Act

Question: 1. What are the main objectives of Electricity Act-2003?

Answer: An Act to consolidate the laws relating to generation, transmission, distribution, trading and use of electricity by taking the following measures.

-Taking conducive measures to develop electricity industry.

-Supply of electricity to all users.

-Protecting consumer Interest.

-Rationalization of electric tariff.

-Transparency in policies regarding subsidies.

-Promotion of efficient & environmentally policies constituted by Central Electricity Authority (CEA), Regulatory commissions & establishment of Appellate tribunal.

Question: 2. Is Electricity Act-2003 extended to whole of India?

Answer: Yes, The Electricity Act-2003 is extended to whole of India except the state of Jammu & Kashmir.

Question: 3. What does the term Dedicated Transmission lines means?

Answer: Dedicated Transmission lines means any electric supply line for point to point transmission which re required for the purpose of connecting electric lines or electric plants or generating stations or any transmission lines or sub station or generating stations or load centre.

Question: 4. What does the term Distribution licensee means?

Answer: Distribution licensee means a licensee, authorized to operate and maintain a distribution system for supplying electricity to the consumers in his area of supply.

Question: 5. What does the term Power Systems means?

Answer: All aspects related to generation, transmission, distribution and supply of electricity which includes one or more of the following.

- Generating stations·
- Transmission or main transmission lines·
- Sub-stations·
- Tie-lines· Load dispatch activities·
- Mains or distributing mains·
- Electric supply lines·
- Overhead lines·
- Service lines·
- Works

Question: 6. What does the Regional Power Committee do?

Answer: Regional Power Committee is established by the Central Government for a specified region for facilitating the integrated operation of the Power system in that region.

Question: 7. What do you mean by Stand-alone system?

Answer: Stand-alone system means the electricity system set up to generate power & distribute electricity in a specified area without connecting to the Grid.

Question: 8. What do you mean by Transmission lines?

Answer: Transmission lines" means all high pressure cables and overhead lines (not being an essential part of the distribution system of a licensee) transmitting electricity from a generating station to another generating station or a sub-station, together with any step-up and step-down transformers, switch-gear and other works necessary to and used for theControl of such cables or overhead lines, and such buildings or part thereof as may be required to accommodate such transformers, switchgearand other works.

Question: 9. Who will prepare & publish National Electricity Policy and tariff policy Plan?

Answer: The Central Government shall, from time to time, prepare & publish the national electricity policy and tariff policy plan, in consultation with the State Governments and the Authority for development of the power system based on optimal utilisation of resources such as coal, natural gas, nuclear substances or materials, hydro and renewable sources of energy.

Question: 10. How does any person transmit or distribution or under take trading in electricity?

Answer: Any person is allowed to transmit or distribute or under take trading in electricity provided he has authorized license issued under section-14 or is exempted under section-13.

Question: 11. What is the network for Transmission of Electricity in the country?

Answer: The Central Government makes region-wise demarcation of the country, and, from time to time, makes such modifications therein as it may consider necessary for the efficient, economical and integrated transmission and supply of electricity.

-The Central Government may establish a centre at the national Level, to be known as the National Load Dispatch Centre for optimum scheduling and dispatch of electricity among the Regional Load Dispatch Centres.

-The National Load Dispatch Centre shall be operated by a Government company or any authority or corporation established or constituted by or under any Central Act, as may be notified by the Central Government.

-The Central Government shall establish a centre for each region to be known as the Regional Load Dispatch Centre having territorial jurisdiction as determined by the Central Government for the purposes of exercising the Powers, and discharging the functions under this Part.

-All directions issued by the Regional Load Dispatch Centres to any transmission licensee of State transmission lines or any other licensee of the State or generating company (other than those connected to inter State Transmission system) or sub-station in the State shall be issued through the State Load Dispatch Centre.

Question: 12. What are the responsibilities of Regional Load Dispatch Centre?

Answer: The Regional Load Dispatch Centre shall,

-Be responsible for optimum scheduling and dispatch of Electricity within the region, in accordance with the contracts entered with the licensees or the generating companies operating in the region.

-Monitor grid operations;

-Keep accounts of the quantity of electricity transmitted through the regional grid;

-Exercise supervision and control over the inter-State transmission system.

-Responsible for carrying out real time operations for grid control and dispatch of electricity within the region through secure and economic operation of the regional grid in accordance with the Grid Standards and the Grid Code.

Question: 13. What are the responsibilities of State Load Dispatch centre?

Answer: The State Load Dispatch center shall·

-The State Load Dispatch Centre shall be the apex body to ensure integrated operation of the power system in a State.

-Responsible for optimum scheduling and dispatch of electricity within a State, in accordance with the contracts entered into with the licensees or the generating companies operating in that State.

-Monitor grid operations.

-Keep accounts of the quantity of electricity transmitted through the State grid;

-Exercise supervision and control over the intra-state transmission system.

-Responsible for carrying out real time operations for grid control and dispatch of electricity within the State through secure and economic operation of the State grid in accordance with the Grid Standards and the State Grid Code.

Question: 14. What are the features available under Electricity Act-2003 for Electricity Bill-2003?

Answer: Following are the features under Electricity Act-2003 for Electricity Bill-2003.

-The central Government to prepare a National Electricity Policy in consultation with state governments·

-Trust to complete the rural electrification and provide for management of rural distribution by panchayats, cooperative societies, non-government organizations, franchisees, etc.

- Provision for license free generation & distribution in the rural areas. Generation, being de-licensed and captive generation being freely permitted.
- Hydro projects need clearance from the central electricity authority.
- Transmission Utility at the central as well as state level, to be a government company with responsibility for planned and coordinated development of transmission network.
- Provision for private licensee in transmission & entry in distribution through an independent network.
- Open access in transmission from the outset.
- Open accesses in distribution to be introduced in phases with surcharge for current level of cross subsidy to be gradually phased out along with cross subsidies and obligation to supply. SERs to frame regulations within one year regarding phasing of open access.
- Distribution licensees would be free to undertake generation and generating companies would be free to take up distribution licensees.
- The State Electricity Regulatory commission is a mandatory requirement.
- Provision for payment of subsidy through budget.
- Trading, a distinct activity is being recognized with the safeguard of the Regulatory commissions being authorized to fix ceilings on trading margins, if necessary.
- Provision for reorganization or continuance of SEBs.
- Metering of all electricity supplied made mandatory.
- An Appellate Tribunal to hear appeals against the decision of the CERC and SERc.
- Provisions relating to theft of electricity made more stringent.