

Andhra Pradesh Provisional Distribution and Retail Supply Licence, 1999

ANDHRA PRADESH

India

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Rule

ANDHRA-PRADESH-PROVISIONAL-DISTRIBUTION-AND-RETAIL-SUP of 1999

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Andhra Pradesh Provisional Distribution and Retail Supply Licence, 1999Last Updated 22nd August, 2019The Provisional licence granted by the Government of Andhra Pradesh under Section 14 (4) of the Andhra Pradesh Electricity Reform Act, 1998 (Act No. 30 of 1998) to the Transmission Corporation of Andhra Pradesh Limited. (APTRANSCO) for carrying on the business of distribution and retail supply of electricity within the State of Andhra Pradesh shall be with the powers and upon the terms and conditions as specified below:-

Part I – Terms of the Licence

1. Short Title.

- This Licence may be called "The Andhra Pradesh Provisional Distribution and Retail Supply Licence, 1999"

2. Definitions.

- In this licence, unless the context otherwise requires:-(a)"Act" means the Andhra Pradesh Electricity Reform Act," 1998;(b)"affiliate" means in relation to the licensee, any subsidiary of the Licensee, any company or entity which has any commercial or financial interest in the Licensee or in which the Licensee has any commercial or financial interest;(c)"area of distribution and retail supply" means the area referred to in Schedule of this licence as modified from time to time;(d)"bulk supplier" means any person who is authorized to provide a bulk supply;(e)"bulk supply" means the

provision of electricity to an authorised person for resale:(f)"distribution" means the transportation of electricity by means of a distribution system;(g)"distribution and retail supply business" means any authorised business of the licensee (i) in or ancillary to distribution (whether for its own account or that of third parties) through any system owned and/or operated by the Licensee and (ii) in the retail supply of electricity to Consumers.(h)"distribution system" means any system (including the licensee's distribution system) consisting (wholly or mainly) of cables, service lines and overhead lines, electrical plant and metering equipment (excluding generator interconnection facilities) having an operating voltage other than EHV, owned or operated by an electricity operator authorized to supply electricity and used for the transportation of electricity to consumers. The Distribution System shall not include any part of a EHV system except the terminal equipment used for the supply of electricity to a EHV consumer.(i)"generating plant" means any plant or apparatus for the production of electricity and shall where appropriate include a generating station comprising one or more than one generating set;(j)"generator" means a person owning a generating plant connected to the licensee's transmission or distribution system.(k)"generator interconnection facilities" means any electric lines, bus bars, switch gear, transformers, plant or apparatus owned by a generator and utilized for access to the transmission or Distribution System;(l)"Licensee" means the Transmission Corporation of Andhra Pradesh Limited (APTRANSCO), constituted under Section 13 of the Act which is the holder of this licence;(m)"Licensee's distribution system" means any Distribution System owned and/or operated by a Distribution and Retail Supply licensee.(n)"Licensee's transmission system" means the Transmission System owned and/or operated by a Transmission and Bulk Supply licensee.(o)"regulations" means regulations made by the Commission under the Act;(p)"retail supply" means the sale of electricity for end use by the consumers;(q)"separate business" means each of the Transmission and bulk supply Business, Distribution and Retail Supply Business taken separately from one another and from any other business of the Licensee or any affiliate of the Licensee;(r)"supplier" means any electricity operator who carries out or provides bulk supply or retail supply;(s)"supply" means the bulk supply or retail supply of electricity;(t)"transmission and bulk supply business" means the authorized business of a Licensee in transmission and bulk supply;(u)"Transmission System" means the system consisting of extra high voltage electric lines being operated at EHV (excluding generator interconnection facilities) owned and/or operated by the Licensee for the purposes of the transmission of electricity from one power station to a sub-station or to another power station or between sub-stations or to from any external interconnection equipment up to the interconnection with the distribution system, any plant and apparatus and meters owned or used by the Licensee in connection with the transmission of electricity, but shall not include any part of the Licensee's distribution system;(v)The words, terms and expressions used in this licence shall have same meaning assigned to them in the Andhra Pradesh Electricity Reform Act, 1998 (Act No. 30 of 1998), and rules and regulations made thereunder, (w) Words, terms and expressions used in this licence which are not defined in this Licence or in the Andhra Pradesh Electricity Reform Act. 1998 (Act No. 30 of 1998) shall have the meaning given to them in the Indian Electricity Act, 1910 (9 of 1910) and the Electricity (Supply) Act. 1948 (54 of 1948) as the case may be.(x)Any references to any enactment or any section of, or Schedule to, or other provision of any such enactment shall be constructed, at any particular time, as including a reference to any modification or re-enactment thereof then in force as the same may have been so modified or re-enacted from time to time.

3. Term of the Licence.

- 3.1 The Government of Andhra Pradesh in exercise of the Powers conferred by Section 14 (4) of the Act, hereby grant a Licence for distribution and retail supply of electricity to the APTRANSCO in the area of supply and supply of electricity to other licensees during the period specified in paragraph 3.2, subject to the conditions set out in Parts II and III of this Licence. 3.2 This licence shall come into force on the First day of February 1999 and shall cease to be valid and effective:-(a) on completion of twelve months from the said date of enforcement; or (b) on the date notified by the Commission under Section 14 (4) (b) of the Act; whichever is earlier.

Part II – General conditions

4. Grant of Licence.

(1) The licensee who is seeking licence shall upon the establishment of the Commission, place this licence before the Commission which shall be deemed to constitute an application by the licensee for a Distribution and Retail Supply Licence under Section 15 (1) of the Act. (2) After grant of licence by the Commission the licensee shall be entitled to exercise any power or authority to take appropriate actions for: (a) revenue realization; (b) prosecution for theft; (c) tampering with meters; (d) diversion of electricity; and (e) all such similar matters affecting the distribution and retail supply of electricity. (3) Before the commencement of the licence, the State Government and there after the Commission may add, alter or substitute any of the Conditions contained in this licence with prior consultation with the Licensee during the term of this licence.

5. Prohibited Activities.

(1) The licensee shall not on its own account: (a) purchase or import or otherwise acquire electricity from any person, unless that person has a Supply licence or is a generator with installed capacity of five MW or less or sell or otherwise dispose of electricity to any person other than pursuant to this licence; (b) own, hold any beneficial interest in, or operate, any generating set or other sources of production of power in the area of supply, except for meeting its emergency power requirements, provided however the above prohibition shall not apply to non-conventional energy sources; or (c) own, hold any beneficial interest, in or operate, any facilities for the transmission or distribution of electricity in the area of supply other than pursuant to the carrying on of its Transmission Business and its Distribution Business respectively; or (d) commence any non-core activity. (2) For the purposes of this paragraph the term "non-core activity" shall have the following meaning: "non-core activity" means any activity of the licensee or an affiliate of the licensee other than those authorised or licensed under the provisions of the Act.

6. Information to the State Government or Commission.

(1) Subject to paragraph 6 (2) the licensee shall supply to the State Government or Commission in the manner and at times specified by the State Government or Commission, such information as the

State Government or Commission may consider necessary in respect of the conditions or as it may require for the purpose of performing its functions and duties under the provisions of the Act.(2)The power of the State Government or Commission to require information under paragraph 6 (1) is in addition to the power of the State Government or Commission to require information under or pursuant to any other condition of this licence or the provisions of the Act.(3)"Information" under this condition shall include any documents, accounts, estimates, returns or reports whether or not prepared specifically at the request of the State Government or Commission of any description specified by the State Government or Commission. This information may be for;(a)the Commission's own purposes; or(b)the purposes of the Government of India; or(c)the purposes of the State Government; or(d)the purposes of the Central Electricity Authority(4)The licensee shall notify to the State Government and Commission as soon as possible of any major incident affecting any part of the total system and shall within two (2) months of the date of such major incident:(a)prepare a report giving full details of the facts of the incident and its causes, and(b)furnish copies of the report to the State Government and Commission and to all parties involved in the major incident.

7. Disposal of Assets.

(1)The licensee shall not dispose of or relinquish operation control over any asset unless permitted by the State Government prior to the constitution of the Commission, and thereafter by the Commission.(2)In this condition:"asset" means any asset with a replacement cost in excess of Rs. 30 lakhs or such other figure as the State Government prior to the constitution of the Commission, and thereafter by the Commission may specify for the time being and from time to time forming part or intended to form part of the Distribution and Retail Supply Business or for any use in conjunction therewith and any legal or beneficial right, title or interest in land upon which any of the foregoing is situated: and"disposal" includes any sale, transfer, gift, lease, Licence, the grant of any right of possession or ownership whether immediate or in the future transfer of ownership, loan security, mortgage, charge or the grant of any other encumbrance or the permitting of any encumbrance to subsist or any other disposition to a third party and "dispose" shall be construed accordingly

8. Health and safety.

- The licensee shall duly comply with all health and safety requirements under the Indian Electricity Rules, 1956 and other applicable laws and regulations in force at the relevant time.

9. Application of Indian Electricity Act, 1910 (9 of 1910) and the Electricity (Supply) Act, 1948 (54 of 1948).

(1)The licensee shall comply with the requirements of the Indian Electricity Act. 1910 and Electricity (Supply) Act, 1948 and rules made thereunder, to the extent they have not been disapplied under the Act, in carrying out its functions and obligations under this licence.(2)The State Government may publish an order authorizing the licensee to exercise any power or authority which could be given to the licensee under the Indian Electricity Act. 1910 (9 of 1910) and the Electricity (Supply)

Act, 1948 (54 of 1948).

10. Application of the Indian Telegraph Act, 1885 (13 of 1885).

- The licensee shall have all the power for the placing of appliances and apparatus for the distribution and supply of electricity, that a telegraph authority possesses under the Indian Telegraph Act, 1885 (13 of 1885), with respect to the placing of telegraph lines and posts for the purposes of a telegraph established or maintained by the State Government or to be so established or maintained.

Part III – Tariffs

11. Basis of Charges.

(1)The tariffs notified by the APSEB vide B.P.Ms. No. 62 (Operation and Commercial) dated 28-12-1998 shall continue to apply and APTRANSCO shall be entitled to recover charges as per the above notification till further orders as provided in paragraph 11 (2)(2)The State Government prior to the constitution of the Commission, and thereafter by the Commission may issue orders for separate tariffs for distribution, retail supply or any other, activity or services by the APTRANSCO. The APTRANSCO shall be entitled to recover the charges as per the revised orders from the date notified in the said orders.(3)Except as mentioned above the tariff shall be determined in accordance with the provisions of Section 26 of the Act.

12. Conditions of Supply.

- The licensee shall prepare its conditions of supply and implement the same after obtaining the approval of the Commission, till then the "Terms and Conditions of supply" and the procedures being followed by APSEB shall apply.

Schedule

Area of SupplyThe area of supply shall comprise of the State of Andhra Pradesh, subject however to any rights granted to any other licensees.