

# **THE ELECTRICITY ACT, 2003**

## **INTRODUCTION**

In India, initially the Electricity supply Industry has been governed by such as Indian Electricity Act, 1910, the Electricity Act, 1948 and the Electricity Regulatory Commission Act, 1998. The Act of 1910 as aforesaid has created the basic framework of Electricity Supply Industry and the Act 1948 empower the States to create State Electricity Board and moreover the Act of 1998 has empower the Central and State Government to established Commission for controlling and regulating the Electricity Supply system in it. However, due to the advent of Industrialization, Globalization and economic country along with the demand of the population, the aforesaid three Acts could no longer meet the demand, therefore, the Central Government was realizing urgent need of new legislation and as such the Electricity 2003 was passed by the Parliament.

### **Basic features of the Electricity Act, 2003**

The main basic features of the Electricity Act, 2003 are briefly stated as follows:

1. There is a provision for private transmission licenses.
2. Distribution licenses would be free to undertake generation.
3. There would be a Transmission Utility at the central and State level.
4. Generation is being delicensed not as before and captive generation is freely permitted.
5. The State Electricity Regulatory Commission may permit open access in distribution in phases.
6. There is direct commercial relationship between the consumer and generating company or a trader.
7. There is a provision for transfer scheme.
8. System for generation as well as distribution will be permitted in the rural and remote areas.
9. There is a provision for Constitution of Central Electricity Authority.
10. There is provision for Constitution of Central Commission as well as the State Commission.
11. There is provision for Constitution of Central Advisory Committee as well as the State Advisory Committee.
12. There is provision for Establishment of Fund by the Central Government and the State Government.

13. There is provision for Establishment of Appellate Tribunal for Adjudicating the grievances face by the Consumers etc.
14. There is provision for Offences and Penalties to be imposed on the person/ persons on the charge of Theft of Electricity such as materials, damaging work, stolen property etc.
15. There is provision for Exclusion of Jurisdiction of the Civil Court for speedy adjudication.
16. There is provision for Constitution of Special Courts for the trial of special cases.
17. There is provision for Arbitration open to the Consumers, Company etc. for arriving settlement with less time and resources.

The Electricity Act, 2003 has been enacted and a provision contained in this Act has come into enforce w.e.f 10th June, 2003 and the Act extend to the whole of India except to State of Jammu & Kashmir. This Act of 2003 is now regulating the generation transmission, distribution, trading and use of electricity in the country.

