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**Electricity Laws (Karnataka Amendment) Act, 1998****26 of 1998****[30 October 1998]****CONTENTS**

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**Electricity Laws (Karnataka Amendment) Act, 1998****26 of 1998****[30 October 1998]**

An Act further to amend the Indian Electricity Act, 1910 and the Electricity (Supply) Act, 1948 in its application to the State of Karnataka. WHEREAS it is expedient further to amend the Indian Electricity Act, 1910 (Central Act 9 of 1910) and Electricity (Supply) Act, 1948 (Central Act 54 of 1948) in its application to the State of Karnataka for the purposes hereinafter appearing: BE it enacted by the Karnataka State Legislature in the Forty-ninth year of the Republic of India, as follows:-

**1. Short Title And Commencement :-**

(1) This Act may be called the Electricity Laws (Karnataka Amendment) Act, 1998.

(2) It shall be deemed to have come into force on the first day of April, 1998.

**2. Amendment Of Central Act 9 Of 1910 :-**

In the Indian Electricity Act, 1910 (Central Act 9 of 1910),-

(1) in section 2;-

(i) after clause (b), the following clause shall be inserted, namely:-

"(bb) "area of transmission" means the area within which alone a transmission licensee is for the time being authorised by his license

to transmit energy."

(ii) after clause (g), the following clause shall be inserted, namely:-  
"(gg) "intra-State Transmission" means transmission within the State".

(iii) after clause (m), the following clauses shall be inserted, namely:-

"(m1) "transmission licence" means a licence granted under Part IIA to transmit energy:

(m2) "transmission licensee" means any person who holds a transmission licence:

(m3) "transmit" means to convey energy by means of main transmission lines and the expression "transmission" shall be construed accordingly."

(2) after Part II, the following Part shall be inserted, namely:-

"PART IIA

TRANSMISSION OF ENERGY

27A. Grant of Transmission Licence.-

(1) The State Government or any authority notified by the State Government, may, on application made in the prescribed form and on payment of the prescribed fee, if any, grant a transmission licence subject to such terms and conditions as may be prescribed to any person for intra-state transmission of energy in the area of transmission within the State.

(2) The provisions of sections 12 to 19 (both inclusive) and clauses XIV to XVII (both inclusive) of the Schedule shall, so far as may be apply to a transmission licence subject to the modifications that references to "licence" and "licensee" shall be construed as references to "transmission licence" and "transmission licensee" respectively:

27B. Power of State Government to make rules.-

(1) The State Government may, after previous publication, by notification make rules for the purpose of carrying into effect the provisions of this part.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for,-

(a) form for making application under section 27A;

(b) fee for grant of transmission licence under section 27A;

(c) terms and conditions of intra-state transmission of energy;

(d) any other matter which is to be or may be prescribed;

(e) every rule made by the State Government under the Act shall be laid, as soon as may be, after it is made, before each House of the State Legislature, while it is in session for a total period of

thirty days which may be comprised in one session or in two or more successive sessions, and if before the expiry of the session immediately following the session or the successive sessions aforesaid both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

(3) in section 30, in sub-section (1), after the word "licencee", the words "or transmission licensee" shall be inserted.

(4) in section 51, for the words "licensee or any other person engaged in the business of supplying energy" the words "licensee, transmission licensee or any other person engaged in the business of transmission or supplying energy" shall be substituted.

### **3. Amendment Of Central Act 54 Of 1948 :-**

In the Electricity (Supply) Act, 1948 (Central Act 54 of 1948),-

(1) in section 2, in clause (12), for the word "distribution" the words "distribution or transmission of energy" shall be substituted;

(2) for section 41, the following section shall be substituted namely:-

"41. Use of Transmission lines.-

(1) Where the Board or a Generating Company considers it necessary to use for any of its purposes any transmission lines or main transmission lines of a licensee, the Board or the Generation Company shall have power to use such lines to the extent to which the capacity thereof is or thereafter remains surplus to the requirements of the licensee for the transmission of electricity, for such time and upon such terms as may be agreed with a licensee and on payment of charges calculated in accordance with the provisions of the Fifth Schedule.

(2) A transmission licensee may enter into an agreement with the Board, Generating Company, bulk licensee, supply licensee or any other transmission licensee, for the transmission or supply of electricity."

(3) in section 55,-

(i) in sub-section (1), for the words "Every Licensee" the words "Every licensee or transmission licensee for intra-State transmission" shall be substituted;

(ii) in sub-section (2), for the words "Every licensee or Generating

Company", the words "Every Licensee, transmission licensee or Generating Company" shall be substituted;

(iii) after sub-section (3), the following sub-section shall be inserted, namely:-

"(4) The State Government in the case of load despatch centres at the State level may, by notification, specify the fees and charges to be paid to a person to whom the load despatch functions are entrusted by the State Government."

#### **4. Repeal And Savings :-**

(1) The Electricity Laws (Karnataka Amendment) Ordinance, 1998 (Karnataka Ordinance No.2 of 1998) is hereby repealed.

(2) Notwithstanding such repeal anything done or any action taken under the respective Acts amended by the said Ordinance shall be deemed to have been done or taken under the respective Acts as amended by this Act.