

GOVERNMENT OF INDIA
MINISTRY OF POWER

RAJYA SABHA
UNSTARRED QUESTION NO.796
ANSWERED ON 29.07.2024

AMENDING THE ELECTRICITY RULES

796 **SHRI AJIT KUMAR BHUYAN:**

Will the Minister of **POWER** be pleased to state:

- (a) the reasons for Government framing rules by amending the Electricity Rules concerning the distribution of electricity which is exclusive by the domain of the States;
- (b) whether the rules made on the subjects are exclusively under the States, violative of the federal structure of Union of India;
- (c) whether there was any statutory advice from the Central Electricity Regulatory Commission not to make such laws which are contrary to the Electricity Act, 2003 (EA2003); and
- (d) if such advice as per law was made and not taken into consideration, the reason for non-acceptance?

A N S W E R

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a) & (b) : Section 176 and 180 of the Electricity Act, 2003 provide for the Central Government and the State Governments respectively, to frame rules in their respective jurisdiction. In exercise of the power conferred under section 176, Central Government makes rules on various matters from time to time after consultation with various stakeholders including State Governments, State Commissions, DISCOMs, Power Sector Associations, etc. The rules framed are duly vetted by the Department of Legal Affairs, Ministry of Law and Justice, prior to their notification in the Gazette, and subsequent to that, the rules are laid before both houses of the parliament in pursuance of section 179 of the Electricity Act, 2003. The Rules are framed with the objective of ensuring harmony and uniformity across the country.

(c) & (d) : Advisory was sent by CERC vide letter dated 15.10.2020. However the advice was not considered by the Central Government because the rules were framed as per the provisions of the Electricity Act, 2003 prioritizing the larger public interest, financial viability, and the planned development of the power sector, with the objective of ensuring reliable power supply to consumers at reasonable rates. The rules were framed in consultations with stakeholders and were officially notified in the Gazette following legal vetting by the Ministry of Law & Justice. These Rules were laid before both houses of the parliament in pursuance of section 179 of the Electricity Act, 2003.
