

Bhutan Power Corporation

Draft Revised Terms and Conditions of Supply

Foreword

Bhutan Power Corporation Limited (BPC) is pleased to bring out this booklet covering the Terms and Conditions of Supply, which has been revised taking into account the various types of queries, BPC has been receiving from the customers and / or the intending users of power over the past two years of BPC's incorporation. With the corporatisation of power supply distribution in Bhutan, through which the BPC has been formed, it is imperative that both the Royal Government of Bhutan (RGOB) as well as our esteemed customers expect much better service as well as transparency in the way the BPC conducts its business.

We, at BPC, feel that we owe it to the public to explain our efforts to reach out to people, at the same time ensuring professional and transparent approach in our business dealings with the customers. The purpose of bringing out this booklet is to inform our esteemed customers –

- (a) the guidelines for extending the supply;
- (b) the obligations and responsibilities of BPC towards its customers;
- (c) the rights and obligations of the customer, be it for the existing supply or for any change in the applicable demand;
- (d) the care that a customer is expected to take with regard to his own premises as well as the Company's infrastructure; and
- (e) most importantly, that a uniform transparent set of principles are being adopted in BPC's commitment to the customers.

With the mandate of RGOB to have electricity for all by 2020, it is all the more important that the customers are clear about their rights as well as obligations. BPC is trying its utmost to ensure that its customers are served in the best possible way within the limitations of the infrastructure availability. It will be our endeavor at BPC to continue to have your esteemed patronage and Customer Satisfaction is our prime objective.

Tashi Delek!

Chhewang Rinzin
Managing Director

Preface

Bhutan Power Corporation Limited (BPC) is happy to bring this text covering the Terms and Conditions of Supply. The main purpose of bringing out these rules is to ensure that our customers are kept informed of the rights and obligations of both BPC as well as the customers.

It is envisaged to provide a uniform set of guidelines to all our Electricity Supply Divisions (ESDs) in various Dzongkhags in extending the power supply. As a Corporation, mandated to provide electricity to all in Bhutan, it is imperative that we adopt a principled and transparent approach in our operations and more importantly the public and our esteemed customers should perceive that BPC follows the same set of principles for all. It is in this context that the present set of guidelines have been formulated and we hope our endeavour meets our customer expectations.

The principles enumerated herein address the issues of (a) the need for a large customer, whose power demand is over 5MW, to keep BPC informed of his needs well ahead and 'reserve' the capacity; (b) BPC's obligations to extend the power supply to one and all, albeit with a proviso that such extension is commercially viable, especially where the power supply infrastructure needs to be extended unduly to cater to one or a set of particular customers, unless such extension is mandated by the RGOB; (c) the need to ensure ownership and maintenance of power supply infrastructure by BPC alone in public land; and (d) other issues, which have so far, been addressed in a subjective manner. We hope that our efforts to streamline and make the principles more objective will be well received by our esteemed customers.

Sometimes, we at BPC, are faced with the unhappy situation of having to disconnect a customer for whatsoever reason – be it default in payment, theft of energy, unsafe conditions and the like; and also where we have to take recourse to legal actions. These Terms and Conditions of Supply are intended to clarify all the issues and we expect a cordial relationship in our dealings.

Lastly, our own ESDs will now have a handy set of guidelines, thereby avoiding any dilemma, they may be facing till-date in either granting the supply, collection of dues, rectification works and in general their regular interaction with the Customers.

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Definitions of terms and Abbreviations used

Definitions

Apparatus shall mean the electrical equipment and includes all machines, fittings, accessories and appliances, which use electricity for functioning.

Applicant shall mean any person or entity that has applied to the Company for supply of electricity, change in demand, change in the Customer category and / or any other service. The terms Applicant and Customer are used interchangeably used based on the context and their interpretation shall accordingly be made.

Average power factor means the power factor measured based on the average over a period and to be calculated as a ratio of the registration during the same period of kilowatt hour and kilovolt-ampere hour.

Billing demand shall mean the demand based on which the billing will be done to the Customers.

Billing period shall mean the period for which the bill is raised.

Capacity reserve charge refers to a charge to the Customer who intends to reserve in advance certain power capacity for their use in the future.

Conductor means any wire, cable, bar, tube, rail or plate used for conducting energy and so arranged as to be electrically connected to a system.

Connected load shall mean aggregate of manufacturer's rating of all apparatus including portable apparatus connected in the Customer's premises and apparatus in respect of which declaration has been made by the Customer in the application form for taking supply or any other method of assessing connected load as may be approved by the BEA. This shall be expressed in kW or kVA. If the ratings are in kVA, the same may be converted to kW by multiplying the kVA with a power factor of 0.9. If the same or any apparatus is rated by the manufacturer in HP, the HP rating shall be converted into kW by multiplying it by 0.746.

Contract demand shall mean the maximum kW or kVA or HP as the case may be, agreed to be supplied by the Company and reflected in the agreement executed between the Company and the Customer. Where the agreement stipulates supply in kVA, the quantum in terms of kW may be determined by multiplying the kVA with 0.9, unless otherwise established.

Company shall mean the Bhutan Power Corporation Limited.

Customer shall mean any person or any entity supplied with electrical energy by the Company either as owner or occupier and whose premises are for the time being connected to the Company's system and also includes a person or an entity whose supply has been disconnected for the time being.

Customer installation shall mean any composite electrical unit including electric wires, fittings, motors, transformers and apparatus portable and stationary, indoor, outdoor and underground erected and wired by or on behalf of the Customer in one and the same premises.

Demand charge refers to a charge on the Customer based on the capacity reserved for him by the Company, whether the Customer utilizes such reserved capacity in full or not.

Earthing shall mean connection of the electrical appliances with the general mass of earth as to ensure at all times an immediate discharge of energy without danger.

Energy means electrical energy.

Energy charge refers to a charge on the Customer for his actual consumption of electricity.

High voltage Customer shall mean a Customer who obtains supply from the Company at 66kV and above.

Licensed contractor means a contractor licensed by the Bhutan Electricity Authority to undertake electrical contracting works.

Load factor in case of contract demand of 100 KW and above is the ratio of the total number of units consumed during a given period to the total number of units that would have been consumed had the maximum demand been maintained throughout the same period and is usually expressed as a percentage, that is,

Low voltage Customer means a Customer who obtains supply from the licensee at Low Voltage;

Maximum demand expressed in KW or KVA in relation to any period shall mean four times the largest number of kilowatt hours or kilovolt-ampere hours delivered at the point of supply of the Customer and recorded during any consecutive fifteen minutes in that period. Where agreement stipulates supply in KVA, the quantum in terms of Kilowatts may be determined by multiplying the KVA with 0.9;

Meter means an equipment used for measuring electrical quantities like energy in kWh or KVAh, maximum demand in kW or KVA, reactive energy in kVARhs etc. including accessories like Current Transformers (CT) and Potential Transformers (PT) where used in conjunction with such meter and any enclosure used for housing or fixing such meter or its accessories and any devices testing purposes;

Minimum monthly charges refers to such charges payable by the Customers to cover fixed charges incurred by the licensee for affording supply such as fixed expenses and operation and maintenance expenses or any such charge as made in the tariff schedule;

Power factor means the ratio of kilowatt to kilovolt-ampere;

Premises shall mean land or building or part thereof in respect of which separate meter or metering arrangements have been made by the Company for supply of electricity.

Voltage means the difference of electric potential measured in volts between any two conductors or between any part of either conductor and the earth as measured by a suitable voltmeter;

Point of Metering shall mean the location, where the Company intends to install / installed its meter and shall be also the point of supply for a Customer.

Service line means the dedicated line to a particular Customer extended from the Company's common infrastructure. No tapping shall be done on the Service Line for any other Customer;

Abbreviations

AC	Alternating current
BEA	Bhutan Electricity Authority
CT	Current transformer
ESD	Electricity Services Division
HP	Horse Power
HV	High voltage
IEC	International Electrotechnical Commission
kW	Kilowatt
kV	Kilovolt
kVA	Kilovoltampere
LV	Low voltage
MV	Medium voltage
PT	Potential transformer

Introduction

This document enumerates the terms and conditions of supply of electrical energy to the Customers, being served by the Company and is intended to provide guidelines to both the Customers and the ESD offices of the Company in ensuring uniform application of the rules in extending and maintaining the electricity supply. The terms and conditions indicated herein shall form a part of the deemed Contract between the Company and the Customer, whether or not explicitly included in the relevant contracts, unless specifically agreed upon to the contrary.

1. System of Supply

- a. The declared frequency of AC supply is 50 Hz.
 b. The declared voltage of AC Supply is as follows:

Sl No	System of supply	Voltage level	Limits of variation
1	Low Voltage (LV)	Single phase, 230 Volts between phases and neutral Three phase, 400 Volts between phases.	+/- 6%
2	Medium Voltage (MV)	Three phase at 6.6 kV, 11kV and 33kV	+/- 10%
3	High Voltage (HV)	Three phase at 66kV or above	+/- 10%

- c. The system of supply shall be determined by the Company depending on the contract demand of the Customer. The system of supply for the contract demands shall normally be as follows.

Sl No	Contract demand (in kW) (*)	Supply system
1	Upto 10 kW	Single phase, 230 volts
2	Above 10kW upto 30 kW	Three phase, 400 volts through direct connected meter
3	Above 30 kW upto 300 kW	Three phase, 400 volts through CT connected meter
4	Above 300 kW upto 15MW	Three phase, 6.6kV and 11kV, 33kV through CT/PT connected meter
5	Above 15 MW	Three phase, 66kV or above through CT/PT connected meter

(*) The Contract Demand in case of LV Customers is the estimated demand based on the information on the appliances, number of power points and the possible intent of use, furnished by the Customer duly verified by the Company (at the time of application for new connection or for increase / decrease in demand, unless such demand is warranted to be furnished by the Customer for appropriate Customer categorization, based on the tariff schedules, revised from time to time by the Company).

- d. The Company may, however, at its discretion, also supply at any other voltage depending on system availability or condition.

2. Application for supply

- a. Application for initial supply or subsequent additional supply of power shall be made in the prescribed format. Copies of the format of the application may be obtained from the ESD offices free of cost.
- b. The application form should be complete and accurate in all respects. The applicant shall be responsible for any problems arising from inaccurate information. The application thus filled up shall be signed by the owner or the occupant with the consent of the owner of the premises, for which supply is required. In case of tenants / occupants, the application form shall invariably be in the name of the Owner / Landlord and the Owner / Landlord will be treated as the Customer after the supply of power is granted, unless otherwise agreed to by the Company, at its sole discretion. The application shall be submitted at the ESD office along with a fee, if any, prescribed by the Company together with a sketch map of the premises and documentary evidence of ownership or occupation of the premises in question. The documentary evidence of ownership or occupation of the premises shall be through appropriate certifications of the City Corporation or Dzongkhag / Dungkhaq Administration, as applicable. In case of tenants, a signed letter of consent from the Owner shall accompany the application. Any assistance or information required for filling up the application may be obtained by the applicant from the ESD office.
- c. Notwithstanding anything contained in (b), the Company may grant connection to the premises of any applicant, and the Company may dispense with requirement of documentary evidence of lawful occupation of the premises at its discretion. In any case, the electricity connection or payment of bills raised by the company for consumption of electricity will not constitute evidence for the purpose of lawful occupation of the premises in any municipal record, revenue record or any court of law. Any Customer who has been granted connection under this provision shall be deemed to be an occupant for the purposes of the Company and the obligations of such occupant towards the Company for the extension of Supply deemed to be binding on the Customer, notwithstanding that his occupation of the premises is found by any court or authority to be not bonafide or lawful.
- d. Every application shall be verified for viability and feasibility. The Company shall provide supply only if it is viable and feasible. The Company may, at its sole discretion, consider extension of supply to an Applicant, where it is technically feasible but financially unviable, subject to the Applicant paying the additional payment, as demanded by the Company, to compensate for the additional infrastructure to make such extension viable.
- e. The Company shall respond to the application for supply at LV within seven days and to the application at MV and HV within sixty days stating whether the connection is feasible or not. If feasible, the Company shall intimate the voltage level at which supply will be given and point of commencement of supply. The Customer categorization of LV, MV and HV and the applicable tariff thereof shall be based on the point of metering.
- f. Unless otherwise responded to by the Company pursuant to sub-clause (e) above, the expected time for supply of power after receipt of application complete in all respects including all payments is (a) 30 days for LV connection; and (b) 90 days for MV / HV connection. It is not obligatory on the part of the Company to provide supply to the applicant and in the event, the application is rejected, any payment made by the applicant will be returned without any obligation for payment of any interest. In case of MV or HV connection for contracted demand in excess of 5MW, the applicant is required to submit the application at least two years in advance.

- g. An applicant, who is not the owner of the premises occupied by him, shall execute an indemnity bond, indemnifying the Company against any damages payable on account of any dispute arising out of supply of power to the premises.
- h. If the applicant in respect of an earlier agreement executed in his name or in the name of his spouse or any other legal dependent or under any other name, is in arrears of electricity dues or other dues payable to the Company, or if it is felt that the said application is for supply to such defaulted Customers by the applicant, the application for supply shall not be allowed by the Company until the arrears are paid in full.

3. Agreement

- a. The applicant will be required by the Company to sign an agreement in the prescribed form. The applicant shall be bound by the all the terms and conditions of supply included herein and in the agreement form.

4. Billing Demand (Applicable for MV / HV Customers)

- a. In case of MV / HV Customers, who are also billed for the Demand in addition to the Energy, Billing Demand shall be the highest of the following:
 - i. The maximum demand in kW during the billing month as recorded by the maximum demand indicator.
 - ii. 75% of the Contract Demand. In this case, if the ratings are in kVA the same shall be converted to kW by multiplying the kVA by 0.85.

In case the maximum demand meter is not provided or the meter has become defective, the billing demand shall be as given in ii.

- b. Application of Demand Charge, where leviable based on applicable tariff schedule, shall be governed by the following:

The demand charge application shall normally be on per kW basis, except as otherwise indicated in the Tariff Schedule. The monthly demand charges shall be payable by the Customer on the basis of the billing demand. Such monthly demand charges shall be payable during the continuance of the agreement even if no electricity is consumed for any reason whatsoever that may be attributable to the Customer or the supply has been disconnected due to default of the Customer. During statutory power-cuts and power restrictions imposed by the Company, if restriction on the demand is imposed for a period exceeding SIXTY hours in a month, the monthly demand charges shall be prorated in accordance with the period and quantum of demand restrictions imposed. In all other cases the Customer shall be liable to pay the full demand charges. A penal demand charge for demand exceeding the contract demand shall be calculated on the excess load multiplied by two times the rate of applicable demand charges or as indicated in the Schedule of Rates / Tariffs of the Company..
- c. Application for reduction of Contract Demand shall be governed by the following:
 - i. Every application for reduction of contract demand shall be made to the respective Electricity Services Division of the Company.
 - ii. No application for reduction in contract demand shall be entertained within THREE months from the date of commencement of initial or revised supply unless the agreement provides otherwise.
 - iii. Contract demand shall not be allowed to be reduced more than once within a period of SIX months from the date of initial supply or from the date of last reduction.

- iv. The corresponding amount from the security deposit shall be credited to the Customer account if the reduction is effected.
 - v. Every application for reduction of contract demand shall be accompanied by
 - a. Such processing fees/fresh deposits as may be notified by the Company for the particular category of the Customer,
 - b. Report from the licensed contractor where alteration of installation is involved,
 - c. Demand reading of the previous three months
 - vi. However, permission for such reduction in contract demand shall not be granted if, on a consideration of the investment made by the Company for effecting power supply to the Customer, the reduction is likely to result in financial non-viability to the Company according to the norms fixed by the Company at the time of granting the initial / revised Supply prior to the fresh application for reduction in demand, unless the Customer is agreeable to bear additional financial burden due to the reduced demand, as fixed by the Company.
 - vii. Decision on a Customer's application for reduction of contract demand shall be made and communicated by the Company within THIRTY days of receipt of complete application.
 - viii. When reduction of contract demand is permitted by the Company, the effective date of such reduction shall be reckoned from the first day of the subsequent month of the date of approval.
- d. Application for enhancement of Contract Demand shall be governed by the following
- i. Every application for enhancement of contract demand shall be made to the respective Electricity Services Division of the Company and accompanied by –
 - a. Such processing fee as notified by the Company for the particular category of the Customer.
 - b. Test report from the licensed contractor where alteration of installation is involved.
 - ii. An application for the enhancement of the contract demand may be rejected if –
 - a. The additional power cannot be supplied at the existing voltage of supply of the Company and the Customer is not willing to avail the power at higher voltage at which the Company is able to supply, or
 - b. The Customer is not agreeable to bear that part of the estimated cost of necessary additions or alterations in the system as is required to make it remunerative according to the norms fixed by the Company, or
 - c. The Customer is in arrears of payment of dues.
 - iii. If, as a result of the enhancement of contract demand, the classification of the Customer changes, the Company may call upon the Customer to execute fresh agreement along with the payment of additional deposits for the enhanced demand.

5. Security Deposit

- a. The applicant shall make security deposit for the energy (to be) supplied and for the meter and other apparatus installed by the Company in his or her premises.
- b. The security amount for the energy supplied shall be based on the Ampere-capacity of the meter (i.e. Nu. per Ampere), while that for the meter shall be based on the cost of the meter (to cover approximately 50% of the meter cost) The Company shall be at liberty to demand additional / enhanced security deposit from any Customer, as felt necessary, though however, such increase shall be limited to (i) change in the meter rating in Amperes and / or (ii) changes in the tariff structure necessitating increase in the applicable rate (Nu per Ampere).

- c. The Company shall be at liberty at any time to adjust any part of such security deposit for recovery of any payment or satisfaction of any money or any other arrears which shall become due from the Customer. When the Company adjusts the security deposit for such recovery of dues from the Customer, the Customer is liable to make up for the security deposit or part thereof so adjusted by the Company, as demanded by the Company.
- d. No interest shall be payable on the security deposit.
- e. The security deposit shall be returned to the Customer only after the termination of the agreement and after adjustment of outstanding dues, if any, within a period of one month from the date of termination. Before termination of the agreement, the Company is entitled to adjust the whole or part of the security deposit towards arrears payable by the Customer. The Company is liable to refund the Security Deposit only on the claimant's production of the original receipt of the payment made. However, the Company may, at its sole discretion, accept a legal indemnification statement from the claimant for returning the security deposit, in case the claimant is unable to produce the receipt.
- f. Installment of security deposits for the Customers having genuine payment difficulties shall be allowed as per the following guidelines:
 - i. The staggered payment option is applicable only to the Customers under the RGOB's Rural Electrification (RE) programme. This option is not to be treated as an alternative to make payment for security deposit and shall be considered only as a last resort in case the Customers are faced with genuine payment problems. This option, however, should not be construed as a rule and is not to be applied to all the Customers.
 - ii. There should be a written request from the Customer clearly stating the reasons for his/her inability to pay the amount in one go.
 - iii. When an ESD receives such a written request from a Customer, the statement should be physically verified in conjunction with the concerned Gup or Dungkha / Dzongkhag Administration. After the verification, if it is found that the applicant has genuine grounds for not being able to make the payment, he/she may be considered for the installment payment option.
 - iv. Based on the verification report and provided the Customer agrees to abide by the payment conditions laid by the Company, the Customer would be allowed such a payment option. For this purpose, an intending Customer shall enter into an agreement with the Company.
 - v. The duration allowed for such payment shall be limited to maximum of SIX months. The actual monthly amount payable shall be worked out by adding an interest rate of 4% on the total amount and then breaking up the resulting amount into six installments.
 - vi. The amount payable shall be included in the Customer's monthly electricity bill and the Customer shall pay accordingly and clear the payment in 6 months. The Customer shall clear such payment on a monthly basis and no outstanding would be allowed. In case of any default in the installment payment by the Customer, the Customer shall be liable for disconnection, even if the Customer is otherwise regular in clearing of the energy bills.

6. Capacity Reserve Charge

- a. In case of MV / HV applicants, the applicant shall deposit additional security towards capacity reserve charge. This deposit will be adjusted against the bills of the applicant on commencement of supply. Since the deposit is a surety against the applicant's

failure to draw either in part or full, the reserved capacity (towards which the Company may have to make additional investments/ provisions), in the event of failure on the part of the applicant to commence drawal of the reserved power by the stipulated time, the applicant shall forfeit the full or part of the security deposit as the case may be (based on partial or full failure in terms of the power drawal and based on the delay in drawal of power, towards which demand charges equivalent to the delayed period will be adjusted against the security deposit, subject to a maximum delay of three months, by which time the entire capacity reserve would be forfeited with no liability to the Company to extend the supply later).

- b. Subsequent to the Applicant's payment of the Capacity Reserve charge, in the event of the Company failing to provide the supply, by the committed deadline, the Company shall likewise be liable to compensate the applicant with the like amount (on prorata basis for the delayed period).
- c. The quantum of the capacity reserve charge shall be as per the guidelines set forth by the Company from time to time. The following shall generally prevail in the formulation of Capacity Reserve Charges.

Guidelines for Capacity Reserve Security Deposit for future demands

- i. Medium and High voltage Customers desirous of reserving power capacity for supply to their premises from the Company's infrastructure whether existing or coming online in the future, shall have to deposit with the Company a capacity reserve security deposit in order to secure such a reservation. This will be accepted by the Company on a first come first served basis principle.
- ii. The capacity reserve security deposit may be made in the form of cash, demand draft and cheque. The Company, may also, at its own discretion accept a bank guarantee.
- iii. The quantum of power to be reserved by depositing the capacity reserve charges will be considered as the contract demand that the Customer will have with the Company.
- iv. However, such a reservation shall be allowed by the Company only if the period for which the reservation has been requested is not more than ONE year if adequate capacity is available to cater to the power requirement from the Company's existing infrastructure. In case new infrastructure is to be constructed by the Company due to inadequate capacity or non-existence of infrastructure, the reservation can be made for a period not more than EIGHTEEN months.
- v. The capacity reserve security deposit shall compose of the demand charge calculated for a period of THREE months on the conditionally sanctioned load.
- vi. The capacity reserve security deposit will have to be deposited within a period of ONE month from the date the requested load is conditionally sanctioned. Failure to deposit the capacity reserve security deposit within this stipulated time will translate into the conditional load sanction being withdrawn and accorded to the next in line.
- vii. An agreement shall be drawn between the Company and the intending Customer which will contain the date on which the Company shall commence the supply of power and the Customer shall be obliged to draw power.
- viii. If the supply is taken by the Customer on the agreed date, the capacity reserve security deposit made by him shall be converted to the Energy and Meter security and the balance, if any shall be credited to his future energy bills. If however the capacity reserve security deposit does not cover the meter and energy security deposits, the Customer shall make additional deposit as required by the Company.

- ix. In the event the Customer fails to take supply on the agreed date, the security shall be deducted by the Company on a prorata basis for each day of such delay leading to the deduction of the whole amount in THREE months and cancellation of the application and the agreement.
- x. In the event the applicant desires to withdraw his application, then the capacity reserve security deposit made by him shall be forfeited and his application treated as cancelled.
- xi. During the period of the agreement, no interest shall be payable on the amount made as capacity reserve security deposit by the Customer with the Company.
- xii. In the event the Company fails to fulfill its commitment to make power available by the agreed date, the Company shall make payment to the Customer on a prorata basis for each day of such delay to a maximum period of THREE months. This payment to be made by the Company will add onto the capacity reserve deposit made by the Customer and shall be converted to the Energy and Meter security and the balance, if any shall be credited to his future energy bills.

7. Service Line

- a. Service Connection shall be released by the Company, only after the specified Service Connection Charges are paid by the applicant, unless otherwise mandated by the RGOB. In case of applications for supply at LV, the Company shall lay, without additional cost other than the fixed Service Connection Charges for the category of Service, a service line upto a length of 30 meters from the nearest possible distribution mains of the Company. Any length in excess of 30 meters shall be paid for by the applicant, as demanded by the Company and at the rates fixed by the Company. The Service Connection to the Applicant's premises can be by underground (generally for urban areas) or overhead (for other areas) service cable, as applicable based on the Company's infrastructure and / or the geographic location of the Applicant. The maximum length of service connection shall not exceed 70 metres.
- b. In case of MV or HV Customers, the cost of service connection will be based on the infrastructure to be provided by the Company for supplying the applicant, at the rates fixed by the Company.
- c. The method of construction of the service line, whether overhead or underground, and the quality of the materials to be used shall be determined solely by the Company.
- d. The Company shall provide supply only if it is viable and feasible. The Company may, at its sole discretion, consider extension of supply to an Applicant, where it is technically feasible but financially unviable, subject to the Applicant paying the additional payment, as demanded by the Company, to compensate for the additional infrastructure to make such extension viable.
- e. While extending supply to the Applicant, it is the responsibility of the Company to obtain all the necessary Right of Way (ROW), for the LV/MV/HV line and / or other infrastructure like transformers till the point from which the Service Connection can be extended. When the applicant's premises have no frontage on a street and the Service Cable from the Company's mains has to go over or under the adjoining premises of any other person (whether or not the adjoining premises is owned jointly by the applicant and such other person) the applicant shall obtain at his own expense necessary right of way, sanction, or other right or interest from the adjoining owner or co-owner. The Company shall not supply power until such right of way, sanction or other right or interest is obtained and produced. Any extra expenditure incurred in placing the service line in accordance with the terms of right of way, sanction or other right or interest obtained from the owner or co-owner shall be borne by the applicant. No right of way,

sanction or other right or interest once granted shall be cancelled or withdrawn, without giving six months notice by registered post to the Company and the concerned the Customer and a provision to this effect should be incorporated in the terms of the right of way, sanction, or other right or interest arranged by the Customer and submitted to the Company. The Customer may however arrange for alternative route, if any, to retain the supply of power. In all such cases the Customer shall bear the cost of diversion and of the other incidental expenses as may be estimated by the Company. It shall not be incumbent on the Company to ascertain the validity or adequacy of the right of way, sanction, or other right or interest obtained by the applicant for the Service Cable to the Customer's premises.

- f. Upon receipt of the application for LV supply and if the supply is feasible, seven days notice shall be sent by the Company to the applicant or to the licensed contractor acting on his behalf for the applicant or his representative to be present for the purpose of inspection of the premises and fixation of the point of entry of supply mains and the position of mains, cut-outs or circuit breakers and meters.
- g. The position for service having been agreed upon as provided in (d), the Company shall submit to the applicant a quotation of the estimate of the cost to be borne by the applicant in respect of the work to be carried out and advise him of other conditions, if any, to be complied with. The applicant shall be required to deposit the amount of the estimate with the Company before the service is laid. Other conditions being equal, the service lines shall, as far as possible, be laid in the order of the dates of receipt of the deposit money.
- h. The service line, notwithstanding that it has been paid for by the Customer, shall remain the property of the Company and the Company shall always have the right to reroute or otherwise modify it, as felt necessary, due to any reason, for its convenience.
- i. Any damage to the service cable, including replacement of the same, shall be attended to by the Company and all expenses for attending to the damage and / or replacement shall be borne by the Customer.
- j. If a Customer desires to have the position of the existing service line altered, the entire expenses on account of shifting shall be borne by the Customer. In other cases, where shifting is necessary for convenience of the Company or its own other obligations, the Customer shall extend full co-operation but shall not be required to pay any charges.
- k. The Company shall normally provide the meter and in case of MV / HV Customers, along with the necessary enclosure. However, a Customer requiring medium voltage or high voltage supply, if so required by the Company at its sole discretion, shall provide and maintain at his expense a locked and weather-proof enclosure of a design approved by the Company for the purpose of housing the Company's metering equipment.
- l. The Company shall provide supply only if it is viable and feasible. The Company may, at its sole discretion, consider extension of supply to an Applicant, where it is technically feasible but financially unviable, subject to the Applicant paying the additional payment, as demanded by the Company, to compensate for the additional infrastructure to make such extension viable. Any infrastructure, till the point from where a service connection is provided, notwithstanding that such infrastructure may have been partly or fully paid by the Customer, shall remain the property of the Company, which shall maintain the same and the Company shall have the right to use such infrastructure either in part or in full, as deemed necessary, including for supplying any other Customers / Applicants, provided such use is not detrimental to the supply of the Customers already connected to such infrastructure.

8. Temporary Service

- a. Service lines for temporary requirement shall be laid by the Company where possible and the cost incurred in providing, laying, maintaining and removing such service lines shall be paid by the Customer. The Company, however, at its sole discretion, may allow the Customer to lay, maintain and remove such service line, using the Applicant's own material. The Customer will be required to pay energy charges and all other charges at the norms fixed by the Company for such temporary service under its Schedule of Rates.
- b. Unless otherwise approved by the Company in writing, the temporary service shall be defined as installations intended for removal within a period not exceeding two years.
- c. In the event of a temporary service connection granted to an Applicant, needs to be converted to a permanent one, the Applicant is required to make a fresh application for the supply, indicating that temporary connection has already been provided. The processing of this application will follow the norms set forth for new connection. The Company, after ascertaining the requisite power demand and the capacity to extend permanent supply and upon payments of all deposits as required for a new connection, may consider according conversion of such temporary supply to a permanent one, indicating the category of supply and the tariff applicable. The revised tariff rate shall come into effect from the date of such conversion, as specifically intimated by the Company.

9. Point of Metering

- a. The point of metering shall be in the Customer's premises, as close as possible, to the Company's distribution mains. The Customer shall always be metered at the voltage level, at which the supply is provided.
- b. However, the Company may provide for metering on its distribution mains or other points outside the Customer's premises, purely from technical feasibility point of view.
- c. MV and HV Customers will be metered at respective voltage levels.

10. Wiring on the Customer's premises and general wiring conditions

- a. For the safety of the Customer and the public it is necessary that the wiring on the Customer's premises should conform to the regulations of the BEA and applicable standards. The material used for wiring shall comply with the minimum requirement set by the Company and the wiring shall be carried out by a licensed electrical contractor holding a valid license issued by the appropriate authority.
- b. As soon as the Customer's licensed contractor completes the wiring and other electrical installation in the premises, the Customer shall submit to the Company the contractor's completion and test report in the prescribed format.
- c. LV Customers shall, in all cases and at their cost, provide a safety device in the form of linked quick break MCB on each phase other than the earthed neutral at the point of commencement of supply. These shall be fixed as near as possible to the meter board or meter box.
- d. The Customer's mains shall, in all cases, be brought to the Company's point of supply and sufficient cable shall be provided for connecting up with the Company's apparatus.
- e. Proper earthing must be provided at the Customer's premises.
- f. Water pipes and any other pipes / structures, shall not be used for earthing purposes. All wiring shall be kept as far as possible away from such pipes / structures.
- g. All appliances used must be effectively earthed. The minimum size of earth wire permitted is 14 SWG.

- h. Single pole switches controlling plugs shall be inserted in the live wire and not in the neutral wire.
- i. Single leads shall not be allowed to be run separately in iron conduit.

11. Equipment and Apparatus of the Customer

- a. The Customers intending to use apparatus and any other electrical equipment in their power installation are advised to send to the Company full technical particulars of such apparatus before procuring / installing the same, so that the Customer can be informed about any special conditions that may be applicable to the type of apparatus, to enable it to be connected to the mains.
- b. All transformers, switch-gear and other electrical equipment belonging to the Customer and connected to the mains of the Company shall be maintained to the reasonable satisfaction of the Company.
- c. The design and operation of all plant and apparatus shall be such that it shall not interfere with the safety or efficient working of the Company's electric supply lines or other works or the supply of electrical energy by the Company to other Customers.
- d. In the case of medium voltage or high voltage Customers, suitable protective devices approved by the Company shall be used so as to afford full protection to the Company's apparatus placed in the Customer's premises. A medium voltage or high voltage Customer requiring a supply of 1MW and above shall install at his cost suitable circuit breakers of approved make with sufficient rupturing capacity as specified by the Company on the incoming side of his load fitted with automatic protective devices, so adjusted that the circuit breakers supplied by the Customer operate before terminal circuit breaker or the isolating apparatus of the Company is activated. A medium voltage or high voltage Customer requiring supply below 1MW shall provide on the high tension incoming side of his load a gang operated triple pole isolating switch of approved make with high tension fuses of fast blowing characteristics or circuit breaker of adequate rupturing capacity which should be so adjusted that they blow off or operate before the protective devices in the Company's terminal circuit breaker or isolating apparatus operate.
- e. The Company may, in the exercise of reasonable judgement, refuse to supply service to loads having unusual characteristics that might adversely affect the quality of service supplied to other Customers, the public safety, or the safety of the Company personnel. The Company may require a Customer to install any necessary filtering, operating and safety equipment in accordance with the requirements and specifications of the Company, before effecting the supply to such Customers.

12. Motors

- a. No motor shall be connected to the low voltage system of the Company unless the motor and the installation thereof has suitable device to limit the starting current.
- b. Unless otherwise approved by the Company, power supply shall not be given to any Customer at low voltage for utilizing in induction motors of capacity of 3 HP and above or welding transformers of capacity one KVA and above, unless shunt capacitors of appropriate rating are installed by the Customer across the terminals of such motor(s) or welding transformers to achieve average monthly power factor as specified in these terms and conditions of supply.
- c. Motors of low or medium voltage shall be provided with control gear fitted with a no-volt release and T.P. fuses (overload release) so as to prevent satisfactorily the maximum current demand from the Customer's installation exceeding the limits given in the following schedule at any time under all possible conditions. It is important that

the releases should be maintained in good working order. Failure to comply with these will render the Customer liable to disconnection from the supply on account of disturbance to the power supply to other Customers. Wiring for motors shall be run with all three-phase wires bunched in a single metallic conduit, which shall be effectively earthed throughout and connected to the frame of the motor from which two separate earth wires shall be run. The minimum size of the earth wire permitted is 14 S.W.G.

Nature of supply	Size of installation	Limit of maximum current Demand
Single phase	Up to and including 3 HP	Six times full load current.
Three phase	Upto and including 3 HP	Six times full load current
Three phase	Above 3 HP and up to and including 10 HP	Three times full load current
Three phase	Above 10 HP and up to and including 15 HP	Twice full load current
Three phase	Above 15 HP	One-and-a-half-time full load current

13. Company's Equipment and Apparatus

- a. The Company may ask the Customer to provide space to install the Company's equipment and apparatus which may be considered necessary by it for effecting power supply to the Customer. After such accommodation has been provided by the Customer for fixing the equipment and apparatus, the said installation shall continue on his premises with full control vested in the Company.
- b. The Customer shall, as far as circumstances permit, take precautions for safe custody of the Company's equipment on his premises and shall not interfere with or allow any one to interfere with the Company's meters or other apparatus in any way. If the Company's seals placed to protect its apparatus are broken, the Customer shall render himself liable to a penalty as defined in the Company's schedule of tariff.
- c. Without prejudice to any other action available under the law and under these terms and conditions, supply may be disconnected forthwith if the Customer interferes with any of the Company's apparatus installed in the Customer's premises or the service line provided by the Company.
- d. The Customer shall compensate the Company for any damage caused to the mains, apparatus or instruments or any other property of the Company in the Customer's premises, occasioned by any act, omission, lapses or negligence on the part of the Customer or his servants, agents or employees and if supply of power has been disrupted or disconnected on account of such damage, the supply may not be restored until the damage is assessed and the cost of restoration is deposited by the Customer. The Company's decision in regard to the damage caused and the compensation payable assessed on the basis of current market rate and the cost of restoration as assessed shall be final and binding.
- e. The meter boards, main switch, etc must on no account be handled or removed by the Customer or any one not authorized by the Company to do so.

14. Inspection and testing for new connections

- a. The Customer shall give at least 7 day's prior notice in writing to the Company that the installation is ready for testing.

- b. Upon receipt of the completion and test report of the installation, the Company shall notify the applicant of the time and the date when the Company's representative proposes to inspect and test the installation. It shall then be the duty of the applicant to arrange to keep the premises open and to see that a representative of his electrical contractor is present at the inspection to give the Company's representative any information required by him concerning the installation.
- c. No connection shall be made until the applicant's installation has been inspected and tested by the Company and found satisfactory. No charge shall be made for the first visit and testing carried out by the Company. However, all subsequent visits required due to any reason whatsoever like - faults brought out / identified during the initial test; failure of the applicant's electrical contractor to attend the test at the appointed time as required in (b); facilities for inspection and test not having been arranged by the applicant during the initial visit; the installation not being complete etc -, each such subsequent inspection and/or test shall be charged for in accordance with the Company's schedule of charges.
- d. In case of low voltage category Customers :
 - i. Before taking the insulation tests of installation, wiring must be complete in every respect. All fittings such as lamps, fans, cookers, motors, etc. must be connected up, fuses inserted and all switches placed in the 'ON' position before the tests are carried out. The insulation resistance of the entire installation to earth shall be tested from the load side of the Company's terminals.
 - ii. The Company shall not connect the installation on the applicant's premises with its works unless it is reasonably satisfied that the installation shall not at the time of making connection cause leakage exceeding one five thousandth part of the maximum current supplied to the applicant's premises.
 - iii. The insulation resistance shall be measured by applying between earth and the whole system of conductors or any section thereof with all fuses in place and all switches closed and except in case of earthed concentric wiring all lamps in position or both poles of the installation otherwise electrically connected together, a D.C. Voltage of not less than twice the working voltage provided that it does not exceed 500 Volts. When the supply is derived from three wire (AC or DC) or a poly-phase system, the neutral pole of which is connected to earth either directly or through added resistance the working voltage shall be deemed to be that which is maintained between the outer or phase conductor and the neutral. The insulation resistance in megaohms of an installation shall not measure less than 50 divided by the number of points on the circuit provided that the whole installation need not be required to have an insulation resistance greater than one megaohm. Heating and power appliances and electric signs may, if desired, be disconnected from the circuit during the tests but in that event the insulation resistance between the case or frame work and all live parts of each appliance shall not be less than that specified in the relevant standards or when there is no such specification shall not be less than half a megaohm. The details of the insulation resistance measurement test are appended to these Terms and Conditions of Supply.
 - iv. The insulation resistance shall also be measured between all conductors connected to one pole phase conductor and all the conductors connected to the middle wire or to the neutral or to the other pole or phase conductor of the supply. Such a test shall be made after removing all metallic connections between the two poles of the installation and in these circumstances, insulation resistance between the two terminals of the installation shall not be less than that specified in (iii).

- e. In case of MV and HV Customers :
 - i. Manufacturer's test certificates in respect of all medium and high voltage apparatus shall be produced if required by the Company.
 - ii. In addition, the Company may test the MV and HV installation, as the case may be, by applying standard test voltage in accordance with the International Electro-technical Commission and / or other International standards.
- f. The Customer's installation shall have proper earthing in place and the Earth Resistance shall not exceed the permissible values, set forth by the Company.
- g. While the Company shall carry out the above before effecting the power supply, the Company shall not be responsible for the Customer's internal wiring and the extension of the supply by the Company shall in no way be construed as the Company having certified the Customer's premises / wiring to meet the standards in vogue. The Customer's internal wiring and safety associated with it shall be the sole responsibility of the Customer.

15. Commencement of Supply

- a. Power supply shall commence when the Company is satisfied that-
 - i. Installation is in accordance with the completion and test report as approved by the Company, and
 - ii. Installation complies with other conditions of the terms and conditions of supply.
- b. Within seven days of approval of applicant's installation, the Company shall commence supply of power to the applicant under intimation to him. The billing as per applicable rates will be done from the time the applicant starts availing the power. However, the applicant will be liable to pay the applicable minimum charges and demand charges from the date of intimation of commencement of supply, even if he fails to avail of the power.

16. Power Factor

- a. The Customers shall maintain a monthly average power factor of not less than 85%.
- b. The Company reserves the right to refuse to supply an apparatus, motor or installation where in its opinion the average power factor of the installation is less than 85%.
- c. When required by the Company the Customer shall take reasonable time, not exceeding three months, such effective steps as to raise the average power factor of installation to a value not less than 0.85.
- d. In the event of such steps not being taken by the Customer, the Company reserves the right to disconnect at its discretion the supply without prejudice to the right of recovery of penal charges as stipulated in the tariff rates.
- e. If the power factor falls below the required level, the Customer will be liable to pay penalties as per the Company's Schedule of Miscellaneous Charges.

17. Balance of Loads

- a. The Customer taking three phase supply shall balance his connected load in such a way that the difference in the loading of each phase does not exceed 5%. In other words, the maximum permissible difference between phases shall be 5%.
- b. In case of continued unbalance in the operating loads for three-phase Customers, the Company, may at its discretion, notify the Customer to ensure proper balancing of the operating loads. Non-compliance to such notification will make the Customer liable for disconnection. Reconnection of such the Customer shall be only on the Customer furnishing a certificate of rectification and upon payment of the applicable disconnection and reconnection charges.

18. Extensions and alterations of the Customer installation

- a. After the supply of energy has commenced, should the Customer desire to increase the load on his premises, he shall requisition for additional supply, whereafter the Company shall submit to the Customer an estimate of the cost to be borne by the Customer for such alterations in the service line, service apparatus, meters, etc. as may be necessary.
- b. Besides the above charges, the Customer shall be required to deposit enhanced security deposit for the additional load.
- c. After the Customer has deposited the amount of the estimated cost of alterations and has complied with such other conditions as may have been notified to him, the Company shall carry out the necessary work of alteration to the service line etc. In the meantime, the Customer will arrange for his licensed contractor to submit on completion of such additions in the installation as may be necessary, a test report of the installation added to or altered in accordance with clause 10, and on receipt of this report, the Company shall inspect and test the extension in the Customer's installation prior to switching on power supply to such an extension.
- d. For the duration of the period in which alterations, addition or repairs are being executed, supply to the circuit which is being altered, added to or repaired, must be entirely disconnected and it shall remain disconnected until the alterations, additions or repairs have been tested and passed by the Company. Failure to do so shall render the supply liable to be disconnected.

19. Failure and interruption of supply

- a. Should, at any time, the Company's power supply be interrupted, notice thereof should be sent by the Customer to the Company's nearest ESD offices. The Customers are not allowed to replace the fuses or reset high-tension switches belonging to the Company upto and including the point of metering (including the meter) and they will render themselves liable to a heavy penalty if the Company's seals placed to protect his apparatus are broken. Company's employees are not obliged to carry out any repairs to the Customer's installation except replacement of the Customer's main fuses at the Customer's request and responsibility.
- b. If a representative of the Company is called to the Customer's premises on account of failure of supply and such failure is found to be due to any cause not attributable to the defect in the Company's apparatus or due to the Customer's negligence in not affording proper protection to the apparatus, the Customer will be charged a fee for attendance of the Company's representative in accordance with the Company's schedule of charges.
- c. While the Company will take all care to ensure that the supply interruptions are minimized and provide supply at the declared voltage levels, the Company shall not be liable for any claim for direct or consequential losses / damages or compensation whatsoever arising out of failure or interruption of the supply.
- d. The Company may temporarily interrupt supply to the Customers to enable work to be carried out on his supply system. Due notice of such interruption will be given to the Customers concerned except in case of interruption for causes beyond the Company's control.

20. Access to the Customer premises and apparatus

- a. With a view to check un-authorized addition and alteration of equipment, theft and mis-appropriation of energy, diversion of power, by-passing of meter for consumption of electricity and for carrying out general inspection, testing, meter reading, bill

delivery, meter testing, meter replacement and meter repair employees duly authorized by the Company shall be entitled to enter the premises of a Customer at all reasonable times after informing the Customer. If the Customer refuses to allow access or obstructs the authorized employees from entering into his premises, the Company shall, without prejudice to other modes of action available in law, disconnect the supply of power of the premises.

21. Meters

- a. A working meter of appropriate rating shall be installed, sealed, maintained by the Company at each point of supply on the premises of the Customer and shall remain the property of the Company. The Customer shall allow the Company to carry out routine meter testing installed at his premises.
- b. The meter shall be fixed immediately at the termination of the Company's service mains and before the Customers' installations such as main switch gear, distribution box, etc. The Company reserves the right to fix the position of the meter. Meters will be installed at the point of supply or at a suitable place as the Company may decide. The same shall be fixed at one place in the basement or ground floor in multi-storied buildings where it will be easily accessible for reading and inspection at any time. The Customer shall run his wiring from such point of supply and shall be responsible for the safety of the meter or metering equipment in his premises from theft, damage or interference. The meters shall not be located at places which are not easily accessible or where light ventilation is poor. The Customer shall incorporate this requirement in their civil drawings in case of new house.
- c. The seals, nameplates, distinguishing numbers or marks affixed on the said equipment or apparatus shall not be interfered with, broken, removed or erased by the Customer. The meter, metering equipment, etc. shall in no case be handled or removed by any one except under the authority of the Company.
- d. The Customer may, if he so decides, install his own meter as check meter. However, the billing will be based on the Company's meter readings. In the event of any billing complaints, whereby the Company, after testing of its meter, finds the same to be faulty / inaccurate, the Company may at its discretion also adopt the check meter readings for assessed consumption for the period under question.
- e. The meter, belonging to the Company, shall not be connected, disconnected or unsealed by any person other than the Company's authorized employees. The Customer shall also use all reasonable means to ensure that no such seal is broken other than by an authorized representative of the Company.
- f. Should the Customer require the meter to be removed or its position changed, he shall give notice to that effect in writing to the Company and the Company may comply with such notice subject to the Customer paying the requisite charges in advance.
- g. Should the Customer dispute the accuracy of any meter which is not his own property, he may, upon giving notice and paying the prescribed fee, have the same tested by the Company within a period of one week from the date of deposit of such fee.
- h. Due notice to the Customer shall be served by the Company to be present during the test. The Company shall have the option to carry out and conclude the test in absence of the Customer after expiry of the notice period.
- i. If the meter is found to be incorrect after testing, fees paid by the Customer shall be refunded or returned by way of adjustment in the next electricity bill of the Customer. However, any adjustments to the prior billing already made by the Company will be at the sole discretion of the Company, but will reasonably consider the possible period for which the meter may have been inaccurate (based on data like past consumption pattern

- of the Customer, the possible maximum consumption with the connected load, recourse to check meter where such meter exists etc.). However, upward adjustment of the bills will not be made for LV Customers, unless the meter has been found defective / inaccurate and tested by the Company on its own and not at the Customer's request.
- j. The repair or adjustment of a meter found to be defective should be done so as to bring the percentage of the error within the prescribed limit of accuracy. In case adjustment or repair is not possible, the defective meter shall be replaced by another tested meter within a period of seven working days. During the period of the meter testing, the billing will be based on assessed consumption, unless the Company provides a temporary meter during this period.
 - k. In the event the meter being tested by the Company is found to be beyond the limits of accuracy, the Customer account shall be adjusted in accordance with the test result with respect to the meter readings of the three months prior to the month in which the dispute has arisen, due regard being paid to the conditions of the occupancy during the month under dispute and during the previous three months.
 - l. If a Customer doubts or comes to know that his meter has become defective or has stopped working, he shall immediately report such a finding to the Company's ESD. The Company shall upon receiving such a report, either from the Customer or from its employee, immediately replace the meter. The supply may be disconnected for the purpose of installing the replacement but the Company shall not levy disconnection and reconnection charges.
 - m. In the event a defective or a stopped meter has been detected or reported after a period of SEVEN days or more, the consumption for the period in which the meter has been defective or stopped shall be assessed generally according to the average registration recorded during the previous THREE months before the defect was notified by the Customer or detected by the Company.
 - n. Cases where the readings for average consumption cannot be obtained, the assessed billing shall be done using other reasonable means like estimated load factor for the connected load and / or consumption pattern of the Customer or other similar Customers etc. While the Customer may present his case for any redressal / reconsideration, if he finds such assessed billing unreasonable and the Company may review such cases on merit to decide on the final payment, the Company's decision after review of such case, will be binding and final on the Customer.
 - o. In the event of any difference or dispute on the accuracy of any meter or the assessment made as above, the Customer can refer the matter to the Bhutan Electricity Authority.
 - p. The meters in all cases shall be provided by the Company and only these will be used for billing.
 - q. If the readings of meter working in association with current transformer (CT) and potential transformer (PT) and other auxiliary equipment, if any, are found to be incorrect on account of wrong connection or disconnection of such CTs, PTs and other equipment or on account of improper multiplying factor, erroneous adoption of CT ratio, PT ratio, the billing in such cases shall be done on the basis of (i) correct multiplication factors, where applicable; or (ii) the average of readings of three consecutive billing periods after the meter is rectified or replaced. The payment already made by the Customer for earlier billing periods shall be adjusted.
 - r. If for any reason whatsoever, the meter installed in the Customer's premises is not accessible and meter reading cannot be taken, the bills shall be raised provisionally on the basis of consumption last recorded for preceding three months, subject to subsequent revision on the basis of actual meter reading.

- s. If the Company apprehends that the Customer is deliberately avoiding the inspection of meter and meter reading, he may be given seven days' notice to remain present in the premises on the date and time mentioned in the notice. If the Customer defaults, the Company may take steps for disconnection of supply after giving twenty four hours notice to the Customer.
- t. If a meter or metering equipment has been found to have been tampered or there is resistance by the Customer by preventing access to the replacement of obsolete or defective meters by the Company, the Company may disconnect the supply after giving seven days' show cause notice and opportunity to the Customer to submit his representation.
- u. The meter and associated equipment installed at the Customer premises shall be inspected by the Company from time to time as it finds necessary.
- v. Where a Customer reports of a defective or stopped or burnt meter or the Company locates defective or stopped or burnt meter at a Customer's premises, the Company shall remove the meter and test the same
 - i. If after testing and investigation, the meter is found defective not due to tampering or deliberate damage or excess drawal of power, the defective meter shall be replaced with a tested meter without any charge to the Customer within two working days from the date of removal of meter from the Customer's premises.
 - ii. In case, upon inspection of the Customer's installation and testing of the meter, it is established that the meter got burnt or stopped or defective due to causes attributable to the Customer such as tampering, defect in the Customer's installation, meter getting wet due to falling of water, connection of unauthorized load by the Customer etc, the Company shall recover from the Customer the full cost of the meter. The Company shall install a tested meter within two days after receipt of the payment from the Customer.

22. Billing

- a. The basis of all charges is the billing period, defined as the time period between two consecutive regular monthly meter readings or estimates of such monthly meter readings.
- b. The bills shall be deemed rendered and other notices duly given when delivered to the Customer or the Customer's premises or three days following the date of mailing to the mailing address, or to the premises supplied, or at the last known address of the Customer.
- c. The bills will be presented every billing period to the Customers and the Customers are required to pay the bills within the due date indicated on the bill. The bills will be delivered either personally by the Company's employee or by post or its bill delivery contractor. If a bill cannot be handed over the Customer personally, it will be left at the address of the Customer.
- d. If a Customer still does not receive the bill, it shall be his duty to inform the Company of the same. On such a complaint the Customer shall be supplied with a duplicate of the bill. However, the Customer is liable to late payment penalty, reckoned from the date of the original bill.

23. Minimum charge

- a. While the billing will be based on the applicable tariff rates and the actual / estimated energy consumption, minimum charges shall be levied by the Company, if the monthly consumption is less than or equal to that corresponding to the minimum charges.

24. Payment of Bill

- a. Bills shall be paid by the Customer at the Company's ESD offices in his area within the due date indicated in the bill failing which the Customer shall be liable to pay the applicable late payment charges, as prescribed by the Company.
- b. Any complaints with regard to the accuracy of the bills shall be made in writing to the concerned ESD office within THIRTY days of receipt of the bill and the amount of such bills shall be paid under protest within the due date. The excess or short payment established shall be adjusted in the subsequent bills on settlement of the dispute.
- c. Payment received after the due date shall be treated as late payment and shall attract applicable late payment charges.
- d. The billed amount shall be paid by the Customer either in cash or by bank draft or bank cheque, or other means where specifically allowed by the Company. In the event a Customer's cheque made payable to the Company is dishonored by a bank when presented for payment by the Company, receipt of such cheque or payment instrument that is subsequently dishonored shall not be considered valid payment and an amount of Nu. 1000 per cheque shall be debited to the Customer's account, in addition to the late fee charges and any other surcharge, which may become due. Any delay in noticing of such default either by the bank or by the Company will not exonerate the Customer from payment of late fee or other levies..
- e. In cases, where a Customer requests for installment payment of the Bills, the Company, may at its discretion, and after ascertaining the merits of the case, allow installment payment facilities on the following basis:
 - i. In general, the staggered payment option will only be the last resort in case the Customer is really faced with genuine problems in paying their bill in one go.
 - ii. There should be written request from the Customer clearly stating the reasons for his inability to pay the amount in one go.
 - iii. The billed amount should be above Nu 2000. However, in special cases, the ESD may use its discretion to extend the facility to amounts lower than this amount.
 - iv. The billed amount should generally be about more than THREE times his average monthly billing.
 - v. The installment payment will be made over a period not exceeding SIX months, in most cases, a TWO to THREE months repayment period.
 - vi. Late payment surcharge will be levied on the original amount. Any default / delay in the payment of the installment will make the Customer liable for disconnection.
 - vii. The Customer will sign an agreement to abide by the installment payment conditions.

25. Discontinuance of Service

Before discontinuance of service to any Customer, the Company shall give a notice of at least 24 hours, unless such disconnection is warranted by imminent danger to the Customers' premises or the infrastructure of the Company or other Customers or unless specifically indicated herein.

- a. The Company may discontinue supply and/or remove its installations and equipment from the Customer's premises if the Customer has provided the Company with materially incorrect information or fails to comply with the provisions of these terms and conditions or any supplementary or other agreement entered into with the Company.
- b. The Company reserves the right to disconnect the supply to a premises at any time without notice, if to its knowledge or in its judgment the Customer's installation is unsafe or defective or will become unsafe imminently. The supply may not be resumed

until the unsafe condition or the defect is removed or corrected and approved by the Company. In such cases, the Customer will be liable to pay disconnection and reconnection charges.

- c. The Company shall make reasonable effort to notify each of the Customers prior to such discontinuance of supply, and in any event shall provide written information to the Customer of the reason for the discontinuance and actions required for resumption of service.
- d. Any Customer who, after having duly been notified, refuses to permit or fails to give an authorized representative of the Company reasonable facilities to enter any premises to which energy is or has been supplied, for the purpose of testing or inspecting the installation of the Customer, shall be liable to have the supply disconnected after the expiry of 24 hours notice in writing.
- e. If the Customer has not paid a bill within 3 months from the date of the Bill or as otherwise stipulated by the Company, the supply shall be disconnected.
- f. If the Customer's meter could not be read continually for three successive months / billing cycles, due to the premises being inaccessible, the Customer shall be liable for disconnection.
- g. If the Customer, having been granted Installment payment option, defaults on any Installment payment, the Customer shall be liable for disconnection.
- h. If a Customer is found indulging in any malpractice, the supply to his premises shall be disconnected as per the *prima facie* evidences obtained without prejudice to other actions applicable as per the law of the land.
- i. Disconnection effected in the above manner shall not limit the Company's right to recover all charges including the disconnection charges from the Customer.

26. Disconnection at the Customer's or Municipal Authority's request

- a. If a Customer wants his service connection to be disconnected, he shall notify the Company in writing giving 7 days time to this effect. The Company shall subsequently present to him the final bill which will include all liabilities to the Company including the disconnection charges in respect of the connection. The disconnection will be effected only after payment of the dues and disconnection charge.
- b. Disconnection of services to a Customer premises shall be done only on the grounds mentioned in (25) and (26) (a). Disconnection request from a municipal authority or other statutory authority, however, shall be considered at the Company's own discretion and shall be an action only subsequent to all other actions by the authority itself or any other concerned agencies and provided the authority agrees to make payment of the dues and disconnection charges of the Customer, subject to such authority providing an explicit legal disclaimer absolving the Company against such disconnection.

27. Reconnection of service

- a. A disconnected Customer who has been disconnected in the manner as given in (25) shall be reconnected only after the defaulting or the offending Customer deposits the dues, applicable charges or the penalties as presented to him by the Company and after payment of a reconnection fee as prescribed by the Company. The Customers disconnected in the manner as given in (26 b), can be reconnected only after production of No Objection Certificate (NOC) from the respective authority and payment of the reconnection charges.
- b. A disconnected Customer whose disconnection has been effected, shall not be entitled to get reconnection unless all the reasons for which the disconnection has been effected

have been mitigated to the full satisfaction of the Company and the reconnection charges paid. A disconnected Customer can be reconnected as a fresh applicant fulfilling all the terms and conditions as required for a fresh applicant, provided the Customer has not been black-listed by the Company, which the Company may do, either due to misconduct or due to non-payment.

28. Notice of vacation of premises and transfer of ownership of the Customer premises

- a. The Customers about to vacate their premises should give to the Company SEVEN days' notice in writing and arrange for facilities to enable the Company to disconnect supply to the premises. Otherwise, the Company cannot guarantee that the meter reading will be taken on the required date to enable the final accounts to be submitted to the Customer. If the Customer fails to give such notice and/or to provide facilities for disconnecting the installation at the Customer's premises from the mains, he shall be held responsible for all energy consumed at these premises till such time as the Company is able to disconnect the supply and shall be liable to pay the charges estimated by the Company even if the meter became defective or stopped functioning during his absence. The disconnection of supply shall not absolve the Customer from his liability to pay actual charges or charges based on average consumption of past three months for the period the Customer has undertaken to take supply.
- b. In the event the Customer is a tenant of a premises, then it shall be the responsibility of the owner of the tenant or any other person in whose address the bill has been issued to give SEVEN days' notice in writing to facilitate disconnection of supply and enable the Company to present the final bill to the leaving tenant. If the premises owner or any other person in whose name the bills have been issued fails to provide such a notification, he shall be liable to make the payment for the dues.
 - i. The Customers leaving the station for a period exceeding two months and closing their houses while away, or whose houses remained closed and unoccupied owing to non-tenancy for the same period may inform the Company before hand so that the meters installed at the premises may be read, installation disconnected and the Company's property removed if agreed to between the Company and the Customer. If the meters are removed the charges as provided in the Company's schedule of charges will be payable for removing and refixing the meters. A reconnection fee as prescribed by the Company is paid before the reconnection is given.
- c. When a Customer leaves his installation connected to the Company's mains but locks up the meter or otherwise makes it inaccessible for reading by the employees of the Company, the Customer shall be billed based on the average consumption of the last three months and the accounts adjusted once the readings are normalized. The Customer, in such cases, shall be liable for late payment surcharge, if the bills are not cleared in time. The Customer, however, can pay the bills in advance to avoid levy of late payment surcharge.

29. Offences

- a. The following actions shall be treated as offences and liable for action by the Company as per the law of the land. Besides the legal actions, offenders are also liable to penalties as prescribed by the Company:
 - i. Unauthorized tapping of electricity
 - ii. Contravention of any provisions of the terms and conditions of supply prescribed by the Company or any other law governing the supply and use of electricity.
 - iii. Unauthorized connection of services which was disconnected by the Company.

- iv. Addition, alteration or extension of electrical installation in the Customer's premises without permission of the Company.
- v. Extension of service supply to any premises other than the one for which supply was contracted for.
- vi. Non-compliance of orders imposing restriction on use of energy for rational and equitable distribution thereof.
- vii. Use of electricity for which supply is not contracted for.
- viii. Resale of electrical energy.
- ix. Exceeding the contracted demand without specific permission of the Company. Such cases, without prejudice to other actions, are liable for demand penalties as prescribed by the Company.
- x. Tampering or breaking of seals of the metering equipment or any other installation sealed by the Company.
- xi. Tampering of meters or any other apparatus installed by the Company at the Customer's premises.
- xii. Any act which prevents the correct registration by the meter.
- xiii. Bypassing of meters by any means.
- xiv. Undertaking any work or engaging in any activity in the vicinity of the Company's electrical installation or part of the installation in the Customer's premises in a manner likely to interfere with any electrical installation or to cause danger to any person or property.
- xv. Obstruction to lawful entry of the authorized employee of the Company into the Customer's premises.
- xvi. Any other activities, which result or likely to result in damage, affect safety of installation or otherwise affect the Company's infrastructure in the Customer's premises, in any way.

30. Theft of Energy

- a. The Company Officials or any other personnel duly authorized by the Company are entitled to visit the Customer premises at any time, and on informing the occupier of their intention, to enter upon the premises for conducting checks on theft of power. However, no notice for such visits by the Company's representatives is mandatory.
- b. Where a theft of energy is found at a Customer's premises by the Company's Power Theft Vigilance Team or any other authorized employee of the Company, the team or the authorized employee shall record all evidences and also inform the concerned Customer about the reasons of the action in writing. Immediately after that, the service connection to such a premises shall be disconnected as per the *prima facie* evidences without prejudice to the Company's other rights.
- c. After disconnection, the Power Theft Vigilance Team or the authorized employee shall submit the details of the findings to the concerned ESD office. Immediately upon such submission by the team or the employee, if the ESD is satisfied that the Customer has dishonestly abstracted, used, consumed, pilfered or diverted energy the ESD may without prejudice to any other action against an offender, require to him to pay compensation, as deemed appropriate.
- d. The ESD shall prepare an assessment bill and present it to the Customer. Such assessment bill shall be prepared at the rate TWICE the normal rates of tariff applicable to such installation. The quantum of energy to be billed for will be assessed for a minimum period of THREE months. In case of usage over three months the assessment will be based on the actual duration. Such assessed value minus amount already paid by

the Customer during the period shall be demanded by a distinct and separate bill and shall be deemed to be arrear electrical charges.

- e. Upon receipt of such a bill, the Customer shall deposit the amount and other penal charges for the offence at the collection counter of the ESD.
- f. Only upon receipt of such a payment, shall the ESD reconnect the Customer. The Customer shall also be liable for payment of reconnection charges.
- g. The penal charges for second and third time offenders shall be as prescribed in the schedule of charges. However, if a Customer repeats the offence thereafter, besides having to pay for the assessment bill and the penal charges, the case shall be dealt with as per the law of the land.

31. Company Liability

- a. Whenever the Company reasonably believes the integrity of the Company's system or the supply of electricity to be threatened by conditions on its system or upon the system with which it is directly or indirectly interconnected, the Company may, in the exercise of reasonable judgment, curtail or interrupt services, and such action shall not be construed to constitute a default nor shall the Company be liable therefor in any respect. The Company will use reasonable efforts under the circumstances to overcome the cause of such curtailment, interruption, or reduction and to resume full performance.
- b. The Company may, in the exercise of reasonable judgment curtail or interrupt service for the purposes of planned maintenance, installation or replacement, and such action shall not be construed to constitute a default nor shall the Company be liable therefor in any respect. The Company shall notify the Customers affected by the planned curtailment, interruption at least 24 hours before its planned occurrence.
- c. The Company shall be excused from performance of its service and shall not be liable to damages or otherwise if and to the extent that it shall be unable to do so or prevented from doing so by:
 - i. Statute or regulation or by action of any court or public authority having or purporting to have jurisdiction in the premises, or
 - ii. Loss, diminution or impairment of electrical service from its generating plants or suppliers or the systems of others with which it is interconnected, or
 - iii. By break or fault in its transmission or distribution system, failure or improper operation of transformer, switches, or other equipment necessary for distribution, or
 - iv. By reason of storm, flood, fire, earthquake, explosion, civil disturbance, or any other natural causes.
- d. The Company shall use reasonable efforts under the above circumstances to overcome such cause and to resume full service.
- e. The Company does not give any warranty, expressed or implied as to the adequacy, safety or other characteristics of any equipment, wiring or devices, installed on the Customer's premises. The Company shall not be liable for damages resulting in any way from supplying or use of electricity or from the presence or operation of the Company's service, conductors, or other equipment on the Customer premises.
- f. The Customer assumes full responsibility for the proper use of electricity supplied by the Company and for the condition and safety of any and all wires, cable, devices or equipment energized by electricity on the Customer's premises.
- g. The Customer shall indemnify and save harmless the Company from and against any and all claims, expenses, legal fees, losses, suits, or judgments for injuries to or deaths

of persons or damage of any kind whether to property or otherwise, arising directly or indirectly by reasons of:

- i. The routine presence in or use of electricity over the wires, cables, or equipment owned or controlled by the Customer, or
 - ii. The failure of the Customer to perform any of his or her duties and obligations as set forth in this terms and conditions of supply where such failure creates safety hazards, or
 - iii. The Customer's improper use of electricity or wires, cables, devices, or other equipment.
- h. The Company shall not in any event except that of its own gross negligence or willful acts, be liable to any party for any direct, consequential, indirect or special damages.

32. Saving of Rights of the Company

- a. The decisions of the Company shall be final with regard to the interpretation of the terms and conditions.
- b. The Company reserves the right to make amendments, delete or make addition to any of the above terms and conditions at any time.