

CEA-EC-11-19(17)/32/2025-FCA Division/1947

भारत सरकार
विद्युत मंत्रालय
केन्द्रीय विद्युत प्राधिकरण
वित्तीय एवं वाणिज्यिक मूल्यांकन प्रभाग

Sewa Bhawan, New Delhi
Dated 04/12/2025

विषय: विद्युत (संशोधन) विधेयक, 2025 के मसौदे पर टिप्पणियां आमंत्रित- के सम्बन्ध में | (Subject: Seeking Comments on Draft Electricity (Amendment) Bill, 2025-reg.)

Sir,

I am directed to refer Ministry of Power OM No. 42/6/2011-R&R (Vol.-IX) dated 9th October, 2025 on the above mentioned subject and to attach comments of CEA on the same.

2. This issues with the approval of Chairperson, CEA.

संलग्नक : Comments of CEA on Draft Electricity (Amendment) Bill, 2025.

(Nimish Kumar)
Asstt Director
F&CA Division, CEA

To:

Chief Engineer (R&R), Ministry of Power, New Delhi

Copy to:

Chief Engineer (Legal)

Comments on amendment of Electricity Act 2003

A. Comments on the amendments proposed by Ministry of Power on Electricity Act 2003

	DRAFT ELECTRICITY (AMENDMENT) BILL, 2025 As proposed by MoP (changes in red colour)	Proposed changes in amendment (highlighted in yellow colour)	Justification
	A BILL		
	<i>further to amend the Electricity Act, 2003</i>		
	BE it enacted by Parliament in the Seventy-sixth Year of the Republic of India as follows:		
	1. (1) This Act may be called the Electricity (Amendment) Act, 2025.		
	(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.		
	Provided that different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.		
36 of 2003.	2. Throughout the Electricity Act, 2003 (hereinafter referred to as the principal Act),—		
1 of 1956	for the words and figures “the Companies Act, 1956”, wherever they occur, the words and figures “the		

18 of 2013	Companies Act, 2013" shall be substituted;		
	3. In section 2 the principal Act, –		
	(i) After clause (20), following clause (20a) shall be inserted, namely:- “(20a) “Electric Line Authority” means the person authorized by the Appropriate Government, and includes any officer empowered by him to perform all or any of the functions of the Electrical Line Authority under this Act;”	Agreed	
	(ii) After clause (26), following clause (26a) shall be inserted, namely:- “(26a) “Energy Storage System (ESS)” means a system to store electrical energy in any form for a period of time and delivering it as electrical energy when required.”	Agreed	
	(iii) in clause (31), for the word and figures “section 617”, the words, brackets and figures “clause (45) of section 2” shall be substituted;”.	Agreed	
	(i) After clause (42), following clause (42a) shall be inserted, namely:- “(42a) “Manufacturing Enterprise” means an industrial undertaking or a business concern or any other establishment, by whatever name called, engaged in the manufacture or production of goods, in any manner, pertaining to any industry	Agreed	

	specified in the First Schedule to the Industries (Development and Regulation) Act, 1951.”		
	(ii) In clause (50) following sub-clause shall be inserted after point (j), namely:- “(k) Energy Storage System ”	Agreed	
	4. In section 9 of the principal Act, in sub-section (1), the following proviso shall be inserted, namely:-		
	Provided also that the eligibility criteria for captive generating plant and its users shall be as may be prescribed by the <u>Appropriate Government</u> .	Word ‘Appropriate Government’ may be replaced with ‘ Central Government ’.	<p>If the State Governments are also empowered to prescribe eligibility criteria for captive generating plant and its users, it may result in varied procedures being followed by different states and the central government. This may disable some entities from availing benefits contemplated for CPPs/users under the Act while their counterparts in other states may continue enjoying such benefits. To streamline the definition of captive generating plants, it is proposed that Central Government should have the power to issue common eligibility criteria through Rules.</p> <p>Alternatively, Central Government is already exercising the powers for prescribing the eligibility criteria for captive under section 176 of the Act.</p>

			The same may continue and no amendment may be needed.
	5. In section 14 of the principal Act,–		
	In the sixth proviso, for the words “through their own distribution system within the same area”, the words “through their own or shared distribution system within the same area in accordance with the framework as specified by the Commission” shall be substituted;	<p>Agreed with following modification:</p> <p>In the sixth proviso, for the words “through their own distribution system within the same area”, the words “through their own and/or shared distribution system within the same area in accordance with the framework as specified by the Appropriate Commission” shall be substituted;</p>	<p>Permitting distribution licensees to utilize the distribution network of other licensees in the same area of supply would facilitate effective and efficient utilization of distribution network assets.</p> <p>With multiple distribution licensee, there may be frequent shifting of consumers from one license to another license. As per Resource Adequacy Guidelines, each distribution licensee has to plan for long term resource adequacy based on demand projection. With floating consumer base, it would be challenging for distribution licensee to plan Resource Adequacy.</p> <p>Multiple distribution licensees with network sharing face challenges such as unclear network access rules, cost allocation disputes, stranded cost risks, technical coordination challenges during outage, loss segregation</p>

			<p>complexities, tariff distortions, and weak dispute resolution frameworks. Lack of regulatory readiness and absence of a DSO model could further complicate implementation. These needs to be taken care through power of State Governments to make Regulations under Section 181 on these aspects. However, to have harmonized view on this issue across the country, Central Government may be empowered to notify Rules in this regard under Section 176.</p> <p>Besides, to bring clarity on utilisation of part own network and part incumbent distribution licensees network, the word “and” has been added. Further, to avoid confusion about role of Commission, the word “appropriate” has been added.</p>
	<p>6. In section 15 of the principal Act, in sub-section (2), clause (ii) shall be omitted;</p> <p>(ii) until, in the case of an application for a licence for an area including the whole or any part of any cantonment, aerodrome, fortress, arsenal, dockyard or camp or of any building or place in the occupation of the Government for defence purposes, the</p>	Agreed	

	Appropriate Commission has ascertained that there is no objection to the grant of the licence on the part of the Central Government.		
	7. In section 18 of the principal Act, in sub-section (2), clause (b) shall be omitted; 18(2)(b) in the case of an application proposing alterations or modifications in the area of supply comprising the whole or any part of any cantonment, aerodrome, fortress, arsenal, dockyard or camp or any building or place in the occupation of the Government for defence purposes, the Appropriate Commission shall not make any alterations or modifications except with the consent of the Central Government	Agreed	.
	8. In section 25 of the principal Act, the following proviso shall be inserted, namely:-	Agreed with partial modification as under	Section 25 deals with Inter-State transmission, while Section 30 deals with intra-State Transmission. Therefore, manner of approval of intra-state transmission system be put under Section 30
	Provided that Appropriate Government may prescribe the manner of approval and implementation of Inter-State Transmission System or Intra-State Transmission System, as the case may be.	Proviso under Section 25: Provided that Central Appropriate Government may prescribe the manner of approval and implementation of Inter-State Transmission System or Intra-State Transmission System, as the case may be. Proviso under Section 30: Provided that State Government may prescribe the manner of	

		approval and implementation of Intra-State Transmission System.	
	9. In section 42 of the principal Act,-	Agreed	
	(i) for sub-section (1), the following sub-section shall be substituted, namely:-		
	“(1) It shall be the duty of a distribution licensee to:		
	(a) ensure an efficient, co-ordinated and economic distribution network in his area of supply;		
	(b) provide non-discriminatory open access to his network to other distribution licensees in their areas of supply on payment of wheeling charges;		In the absence of Distribution System Operator concept, implementation of distribution open access would be a challenge. The largest Distribution licensee operating in any State may be designated as the Distribution System Operator.
	(c) supply electricity in accordance with the provisions of this Act, and		
	(d) develop and maintain distribution system, as required, avoiding duplication, as may be specified by the Appropriate Commission.”		
	10. In section 43 of the principal Act, after sub section (3), the following sub-section shall be inserted, namely:-		
	“(4) Notwithstanding anything contained in this section the State Commission, in consultation with the State	Proposed Subsection is not required.	The intention is to bring down the electricity cost of industrial consumers

	<p>Government, may exempt a distribution licensee from the obligation to supply electricity to all consumers who require a supply of electricity where the maximum power to be made available at any time exceeds one megawatt.</p> <p>Provided that in each area of supply the State Commission shall designate a distribution licensee to supply electricity to consumers if their existing arrangement fails.”</p>		<p>connected to Grid, so that they are not forced to pay high fixed charge of DISCOMs.</p> <p>While it is proposed that the distribution licensee will be relieved of universal supply obligations for >1 MW consumers, the proviso brings back the universal supply obligation through a designated distribution licensee (supplier of last resort) to supply electricity to open access consumers if their existing arrangement fails. The supplier of last resort would charge sunk network cost and power procurement cost from consumers having load of 1 MW and thus, concept of lower tariff may not be possible.</p> <p>Besides, in case these consumers are excluded from USO of a distribution licensee, long term resource adequacy for meeting their demands need to be planned. Accordingly, resource adequacy for such high demand consumers also needs to be initiated.</p> <p>Industries with demand greater than 1 MW are already allowed to avail open access. Ministry of Power has issued Rules to reduce the fixed cost burden of open access consumers by limiting the wheeling charges.</p>
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	11. In section 58 of the principal Act, the following proviso shall be inserted, namely:-		
	“Provided that such standards shall not be inferior to the minimum standards as may be prescribed by the Central Government.”	Agreed	
	12. In section 61 of the principal Act, for clause (g), the following clause shall be substituted, namely:—		
	“(g) that the tariff reflects the cost of supply of electricity and also, progressively reduces cross-subsidies in the manner specified by the Appropriate Commission;	Agreed	
	Provided that cross-subsidy with respect to Railways, Metro Railways and Manufacturing Enterprises shall be fully eliminated within five years from the date of commencement of the Electricity (Amendment) Act, 2025.”	May be amended as: Provided that cross-subsidy with respect to Railways, Metro Railways, and Manufacturing Enterprises shall be progressively reduced and fully eliminated within five years from the date of commencement of the Electricity (Amendment) Act, 2025.”	Cross-subsidy is prevailing in many sectors including Railways. More than 70% of electricity generation comes from coal sources. Railway tariff/freight for passenger traffic is heavily subsidized at the expense of commercial railway traffic. Therefore, a holistic view may also taken regarding elimination of cross-subsidy in railway also. With the elimination of cross-subsidy from Railways, Metro Railways and Manufacturing Enterprises, To reduce tariff shock to other consumers.

			Mas rapid transit systems such as RRTS corridors may also be included.
	13. In section 64 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely:-	Agreed	
	“(1) An application for determination of tariff under section 62 shall be made by a generating company or licensee at such time and in such manner and accompanied by such fee, as may be specified by the Appropriate Commission:		
	Provided that if the application as per sub-section (1) is not filed within the specified timeframe, the Appropriate Commission shall determine the tariff suo moto, so that new tariff comes into effect from the beginning of the next financial year.”		
	14. Section 66 of the principal Act shall be substituted, namely:-		
	“The Appropriate Commission shall promote the development of a market (including trading) in power and may introduce and regulate market platforms, intermediaries, market products including non-transferable specific delivery contracts for difference, in such manner as may be specified and shall be guided by the National Electricity Policy referred to in section 3 in this regard.”	Agreed	
	15. In section 73 of the principal Act, after clause (c), the following clause shall be inserted, namely:—		

	“(ca) specify cyber security requirement for the power system excluding systems that are not part of the integrated operation of the power system.”	May be amended as: “(ca) specify cyber security requirement for the power system excluding systems that are not part of the integrated operation of the power system. ”	There is no need to qualify.
	16. In section 78 of the principal Act, in sub-section (1), in clause (a), for the words “Planning Commission”, the words “ NITI Aayog ” shall be substituted;	Agreed	
	17. In section 86 of the principal Act, in sub-section (1),-		
	(i) for the clause (e), following shall be substituted, namely: -		
	“(e) promote co-generation and generation of electricity from non-fossil sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee, which shall not be less than such percentage as may be prescribed by the Central Government. ”	The Section may be modified as under: “(e) promote co-generation and generation of electricity from non-fossil sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee, which shall not be less than such percentage as may be prescribed by the Central Government in accordance with Energy Conservation Act 2001 and amendments thereof. ”	Presently, as per the Energy Conservation (Amendment Act), 2022 it is specified that the BEE would recommend minimum share of consumption of non-fossil sources by designated consumers (include distribution licensee) as energy or feedstock. Therefore, there may be confusion regarding whether RPO obligation to be met a distribution licensee is over and above RCO obligation. The RCO obligation as specified in pursuance with Energy Conservation Act is mandatory for designated consumers also, whereas the proposed provision in Electricity Act is applicable

			for only distribution licensee. Therefore, the proposed provision may be aligned with Energy Conservation Act.
	18. In section 90 of the principal Act, in sub-section (2),-		
	(i) after clause (f), the following clauses shall be inserted, namely:-		
	“(g) has wilfully violated or overlooked the provisions of this Act or the rules or regulations made thereunder; or	Not Agreed	The term wilfully violated is subjective and may impact the independence of the Commission.
	(h) has been grossly negligent in performing one or more functions assigned to him or the Commission under this Act or the rules or regulations made thereunder.”;	Not Agreed	Normally all members take decision as a Commission. This may result in a situation where all the Members of the Commission are removed under this clause.
	Provided that no Member shall be removed from his office on any ground specified in clauses (d), (e) and , (f), (g) and (h) unless the Chairperson of the Appellate Tribunal on a reference being made to him in this behalf by the Central Government or the State Government [as the case may be,] has, on an inquiry, held by him in accordance with such procedure as may be prescribed by the Central Government, reported that the Member ought on such ground or grounds to be removed.	Not agreed	Considering arguments given above, there is no need of inclusion of (g) and (h). Deletion of words “as the case may be” will allow Central Government to make references to Chairperson of the Appellate Tribunal for removal of Member of State Commission. State Government jurisdiction over State Commission should not be taken over by the Central Government.

	19. In section 92 of the principal Act, after sub-section (5), the following sub-section shall be inserted, namely:-		
	“(6) Every proceedings before the Appropriate Commission shall be decided expeditiously and with the endeavour to dispose the proceedings within one hundred and twenty days and in the event of delay, the Appropriate Commission shall record the reasons for delay.”	Agreed	
	20. In section 112 of the principal Act, in sub-section (1), for the words “three”, the words “ not more than seven ” shall be substituted.	Agreed	Not only Members, the staff of the tribunal should also be strengthened through technical personnel from CEA.
	21. In section 126 of the principal Act, for sub-section (5), the following sub-section shall be substituted, namely:-		
	“(5) If the assessing officer reaches to the conclusion that unauthorised use of electricity has taken place, the assessment shall be made for the entire period during which such unauthorized use of electricity has taken place, and such period shall be limited to a period of twelve months immediately preceding the date of inspection.”	Agreed	
	22. In section 127 of the principal Act,-		
	(i) in sub-section (2), for the words “half” the words “ one-third or as may be prescribed by the ”	Agreed	

	Appropriate Government” shall be substituted.		
	(ii) After sub-section (2), the following proviso shall be inserted, namely:-		
	“Provided that where in any particular case, the Appellate Authority is of the opinion that the deposit of such amount would cause undue hardship to such person, it may reduce or dispense with such deposit subject to such conditions as it may deem fit to impose so as to safeguard the realisation of the amount.”	Agreed	
	23. In section 142 of the principal Act,-		
	(i) the text under the section may be renumbered as sub-section (1)		
	(ii) the following sub-section (2) shall be inserted after sub-section (1), namely:-		
	“(2) Notwithstanding anything contained in sub-section (1), where the Appropriate Commission is satisfied on a complaint filed before it or otherwise, that a person has not consumed power from non-fossil sources of energy as specified under clause (e) of sub-section (1) of section 86, the Commission shall after giving such person an opportunity of being heard, by order in writing, direct that, without prejudice to any other penalty to which he may be liable under this Act, such person shall be liable to pay a penalty of a sum calculated at a rate of not less than thirty-five paisa per kilowatt-hour and not more than forty-five paisa per kilowatt-hour for default;”	May be amended as: “(2) Notwithstanding anything contained in sub-section (1), where the Appropriate Commission is satisfied on a complaint filed before it or otherwise, that a person has not consumed power from non-fossil sources of energy as specified under clause (e) of sub-section (1) of section 86, the Commission shall after giving such person an opportunity of being heard, by order in writing, direct that, without prejudice to any other penalty to	Depending on the changing circumstances, the penalty may be changed and even removed as and when renewable penetration in the grid rises.

		which he may be liable under this Act, such person shall be liable to pay a penalty of a sum calculated at a rate of not less than thirty five paisa per kilowatt hour and not more than forty five paisa per kilowatt hour for default as may be prescribed by the Central Government;”	
	24. Section 164 of the principal Act shall be substituted, namely:—		
	“164. The Power of placing and maintaining electric lines.—	“164. The Power of placing and maintaining electric lines, poles and towers.—	
	“(1) The Appropriate Government may, by order through notification in the Official Gazette , for the placing of electric lines or electrical plant for the transmission of electricity necessary for the proper co-ordination of works, confer upon any public officer, licensee or any other person engaged in the business of supplying electricity under this Act, subject to such conditions and restrictions, if any, as the Appropriate Government may think fit to impose and to the provisions of the Act, any of the powers which the Electric Line Authority possesses under the Act with respect to the placing of electric line for the purposes of conveyance of electricity.”	“(1) The Appropriate Government may, by order through notification in the Official Gazette , for the placing of electric lines, poles or towers or electrical plant for the transmission of electricity necessary for the proper co-ordination of works, confer upon any public officer, licensee or any other person engaged in the business of supplying, electricity under this Act, subject to such conditions and restrictions, if any, as the Appropriate Government may think fit to impose and to the provisions of the Act, any of the powers which the Electric Line Authority possesses under the Act	Powers of telegraph authority includes placing and maintaining a telegraph line under, over, along or across, and posts in or upon, any immovable property. Posts are similar to poles and towers. As we are replacing Telegraph Act 1885, similar dispensation needs to be provided.

		<p>with respect to the placing of electric line, pole or tower for the purposes of conveyance of electricity.”</p>	
	<p>“(2) The Electric Line Authority may, from time to time, place and maintain an electric line for the conveyance of electricity under, over, along or across, in or upon, any immovable property: Provided that— (a) the Electric Line Authority shall not exercise the powers conferred by this section except for the purposes of an electric line maintained, or to be so established or maintained; (b) the Appropriate Government shall not acquire any right other than that of user only in the property under, over, along, across, in or upon which the Electric Line Authority places any electric line; (c) except as hereinafter provided, the Electric Line Authority shall not exercise those powers in respect of any property vested in or under the control or management of any local authority, without the permission of that authority; and (d) in the exercise of the powers conferred by this subsection, the Electric Line Authority shall do as little damage as possible, and, when it has exercised those powers in respect of any property other than that referred to in clause (c), shall pay full compensation to all persons interested for any damage sustained by them by reason of the exercise of those powers. (e) The State Government may prescribe a framework to facilitate placing of electric lines including determination of compensation to be paid.”</p>	<p>May be amended as under: “(2) The Electric Line Authority may, from time to time, place and maintain an electric line for the conveyance of electricity under, over, along or across, poles and towers in or upon, any immovable property: Provided that— (a) the Electric Line Authority shall not exercise the powers conferred by this section except for the purposes of an electric line maintained, or to be so established or maintained; (b) the Appropriate Government shall not acquire any right other than that of user only in the property under, over, along, across, in or upon which the Electric Line Authority places any electric line, pole or tower; (c) except as hereinafter provided, the Electric Line Authority shall not exercise those powers in respect of any property vested in or under the control or management of any local</p>	<p>In Telegraph Act, the term post is mentioned which has been omitted in the draft. Therefore the more appropriate poles and towers needs to be added.</p>

		<p>authority, without the permission of that authority; and</p> <p>(d) in the exercise of the powers conferred by this sub-section, the Electric Line Authority shall do as little damage as possible, and, when it has exercised those powers in respect of any property other than that referred to in clause (c), shall pay full compensation to all persons interested for any damage sustained by them by reason of the exercise of those powers.</p> <p>(e) The State Government may prescribe a framework to facilitate placing of electric lines, poles and towers including determination of compensation to be paid.”</p>	
	<p>“(3) Power to enter on property in order to repair or remove electric lines.— The Electric Line Authority may, at any time, for the purpose of examining, repairing, altering or removing any electric line, enter on the property under, over, along, across, in or upon which the line has been placed.”</p>	<p>May be amended as under:</p> <p>“(3) Power to enter on property in order to repair or remove electric lines, poles or towers.— The Electric Line Authority may, at any time, for the purpose of examining, repairing, altering or removing any electric line, pole or tower, enter on the property under, over, along, across, in or upon which the line, pole or tower has been placed.”</p>	<p>In Telegraph Act, the term post is mentioned which has been omitted in the draft. Therefore the more appropriate poles and towers needs to be added.</p>

	<p>“(4) Power for local authority to give permission under sub-section (2), clause (c), subject to conditions.— Any permission given by a local authority under sub-section (2), clause (c), may be given subject to such reasonable conditions as that authority thinks fit to impose, as to the payment of any expenses to which the authority will necessarily be put in consequence of the exercise of the powers conferred by that sub-section, or as to the time or mode of execution of any work, or as to any other thing connected with or relative to any work undertaken by the Electric Line Authority under those powers.”</p>	Agreed	
	<p>“(5) Power for local authority to require removal or alteration of electric line.—When, under the foregoing provisions of this Act, an electric line has been placed by the Electric Line Authority under, over, along, across, in or upon any property vested in or under the control or management of a local authority, and the local authority, having regard to circumstances which have arisen since the electric line was so placed, considers it expedient that it should be removed or that its position should be altered, the local authority may require the Electric Line Authority to remove it or alter its position, as the case may be.”</p>	<p>May be amended as under:</p> <p>“(5) Power for local authority to require removal or alteration of electric line, pole or tower.—When, under the foregoing provisions of this Act, an electric line, pole or tower has been placed by the Electric Line Authority under, over, along, across, in or upon any property vested in or under the control or management of a local authority, and the local authority, having regard to circumstances which have arisen since the electric line, pole or tower was so placed, considers it expedient that it should be removed or that its position should be altered, the local authority may require the Electric Line Authority to remove it or alter its position, as the case may be.”</p>	<p>In Telegraph Act, the term post is mentioned which has been omitted in the draft. Therefore the more appropriate poles and towers needs to be added.</p>

	<p>“(6) Power to alter position of gas or water pipes or drains.—The Electric Line Authority may, for the purpose of exercising the powers conferred upon it by this Act in respect of any property vested in or under the control or management of a local authority, alter the position thereunder of any pipe (not being a main) for the supply of gas or water, or of any drain (not being a main drain):</p> <p>Provided that—</p> <p>(a) when the Electric Line Authority desires to alter the position of any such pipe or drain it shall give reasonable notice of its intention to do so, specifying the time at which it will begin to do so, to the local authority, and, when the pipe or drain is not under the control of the local authority, to the person under whose control the pipe or drain is;</p> <p>(b) a local authority or person receiving notice under clause (a) may send a person to superintend the work, and the Electric Line Authority shall execute the work to the reasonable satisfaction of the person so sent.”</p>	<p>Agreed</p>	
	<p>“(7) Disputes between Electric Line Authority and local authority.—</p> <p>(a) If any dispute arises between the Electric Line Authority and a local authority in consequence of the local authority refusing the permission referred to in sub-section (2), clause (c), or prescribing any condition under sub-section (4), or in consequence of the Electric Line Authority omitting to comply with a requisition made under sub-section (5), or otherwise in respect of the exercise of the powers conferred by this Act, it shall be determined by such officer as the Appropriate</p>	<p>Agreed</p>	

	<p>Government may appoint either generally or specially in this behalf.</p> <p>(b) An appeal from the determination of the officer so appointed shall lie to the Appropriate Government; and the order of the Appropriate Government shall be final.”</p>		
	<p>“(8) Exercise of powers conferred by sub-section (2), and disputes as to compensation, in case of property other than that of a local authority.—</p> <p>(a) If the exercise of the powers mentioned in sub-section (2) in respect of property referred to in clause (d) of that sub-section is resisted or obstructed, the District Magistrate may, in his discretion, order that the Electric Line Authority shall be permitted to exercise them.</p> <p>(b) If, after the making of an order under clause (a), any person resists the exercise of those powers, or, having control over the property, does not give all facilities for their being exercised, he shall be deemed to have committed an offence under section 223 of the Bharatiya Nyaya Sanhita (45 of 2023).</p> <p>(c) If any dispute arises concerning the sufficiency of the compensation to be paid under sub-section (2), clause (d), it shall, on application for that purpose by either of the disputing parties to the District Judge within whose jurisdiction the property is situated, be determined by him.</p> <p>(d) If any dispute arises as to the persons entitled to receive compensation, or as to the proportions in which the persons interested are entitled to share in it, the Electric Line Authority may pay into the Court of the District Judge such amount as he deems sufficient or, where all the disputing parties have in writing admitted the amount tendered to be sufficient or the amount has been determined under clause (c), that amount; and the</p>	Agreed	

	<p>District Judge, after giving notice to the parties and hearing such of them as desire to be heard, shall determine the persons entitled to receive the compensation or, as the case may be, the proportions in which the persons interested are entitled to share in it. (e) Every determination of a dispute by a District Judge under clause (c) or clause (d) shall be final: Provided that nothing in this clause shall affect the right of any person to recover by suit the whole or any part of any compensation paid by the Electric Line Authority, from the person who has received the same.”</p>		
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	<p>“(9) Removal or alteration of electric line on property other than that of a local authority.— (a) When, under the foregoing provisions of this Act, an electric line has been placed by the Electric Line Authority under, over, along, across, in or upon any property, not being property vested in or under the control or management of a local authority, and any person entitled to do so desires to deal with that property in such a manner as to render it necessary or convenient that the electric line should be removed to another part thereof or to a higher or lower level or altered in form, he may require the owner to remove or alter the line or post accordingly: Provided that, if compensation has been paid under sub-section (2), clause (d), he shall, when making the requisition, tender to the Electric Line Authority the amount requisite to defray the expense of the removal or alteration, (b) If the Electric Line Authority omits to comply with the requisition, the person making it may apply to the District Magistrate within whose jurisdiction the property is situated to order the removal or alteration. (c) A District Magistrate receiving an application under clause (b) may, in his discretion, reject the same or make an order, absolutely or subject to conditions, for the removal of the electric line to any other part of the property or to a higher or lower level or for the alteration of its form; and the order so made shall be final.”</p>	<p>May be amended as under: “(9) Removal or alteration of electric line, pole or tower on property other than that of a local authority.— (a) When, under the foregoing provisions of this Act, an electric line, pole or tower has been placed by the Electric Line Authority under, over, along, across, in or upon any property, not being property vested in or under the control or management of a local authority, and any person entitled to do so desires to deal with that property in such a manner as to render it necessary or convenient that the electric line, pole or tower should be removed to another part thereof or to a higher or lower level or altered in form, he may require the owner to remove or alter the line or post pole or tower accordingly: Provided that, if compensation has been paid under sub-section (2), clause (d), he shall, when making the requisition, tender to the Electric Line Authority the amount requisite to defray the expense of the removal or alteration or half of the amount paid as compensation, whichever may be the smaller sum,</p>	<p>Changes done in line with Telegraph Act 1885</p>
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		<p>(b) If the Electric Line Authority omits to comply with the requisition, the person making it may apply to the District Magistrate within whose jurisdiction the property is situated to order the removal or alteration.</p> <p>(c) A District Magistrate receiving an application under clause (b) may, in his discretion, reject the same or make an order, absolutely or subject to conditions, for the removal of the electric line to any other part of the property or to a higher or lower level or for the alteration of its form; and the order so made shall be final.”</p>	
	<p>“(10) Removal of trees interrupting conveyance of electricity.— (a) If any trees standing or lying near an electric line interrupts, or is likely to interrupt, conveyance of electricity, an Executive Magistrate may, on the application of the Electric Line Authority, cause the tree to be removed or dealt with in such other way as he deems fit.</p>	<p>Agreed</p>	

	(b) When disposing of an application under clause (a) the Executive Magistrate shall, in the case of any tree in existence before the electric line was placed, award to the persons interested in the tree such compensation as he thinks reasonable, and the award shall be final.”		
	25. In section 166 of the principal Act, after sub-section (1), the following sub-section shall be inserted, namely:-	Agreed	
	<p>“(1A) (a) The Central Government shall, by notification, establish an Electricity Council.</p> <p>(b) The Minister-in-charge of the Ministry dealing with Power (Electricity) in the Central Government shall be the Chairperson of the Electricity Council. The Ministers-in-charge of the departments dealing with Electricity in the State Governments shall be its members. Secretary-in-charge of the Ministry of the Central Government dealing with Power (Electricity) shall be the Convenor of the Electricity Council.</p> <p>(c) The Electricity Council shall advise the Central and State Governments on policy measures, facilitate consensus on reforms, and coordinate the implementation of such reforms to ensure achievement of the objects of this Act.”</p>		
	26. In section 176 of the principal Act,		

	(i) in sub-section (1), for the words “provisions”, the words “ purposes ” shall be substituted;	May not be required.	The word “purposes “ gives immense power to the Central Government to make rules in areas which are under the jurisdiction of the State Government and Regulatory Commissions. This is contrary to the main objects and reasons of EA 2003 of distancing the regulatory responsibilities from the government to the Regulatory Commissions.
	(ii) in sub-section (2), , the following clauses shall be inserted, namely:-	Agreed	
	“(aa) the eligibility criteria for captive generating plant and its users under sub-section (1) of Section 9.”		
	“(ca) the manner of implementation of Inter-State Transmission Network under Section 25.”		
	“(da) minimum standards of performance under Section 58.”		
	“(ia) percentage of consumption from non-fossil sources of energy under clause (e) of sub-section (1) of Section 86.”		
	27. In section 177 of the principal Act, in sub-section (2), after clause (e), the following clause shall be inserted, namely:-		
	“(ea) the cybersecurity requirements for electricity system under clause (ca) of section 73;”	Agreed	
	28. In section 180 of the principal Act, in sub-section (2),, the following clauses shall be inserted, namely:-	Agreed	

	“(aa) the eligibility criteria for captive generating plant and its users under sub-section (1) of Section 9.”		
	“(ab) the manner of implementation of Intra-State Transmission Network under Section 25.”		
	“(ma) framework to facilitate placing of electric lines including determination of compensation to be paid under clause (e) of proviso to sub-section (2) of Section 164.”		
	29. In section 181 of the principal Act, in sub-section (2), after clause (zp), the following clauses shall be inserted, namely:-	Agreed	
	“(aa) framework for operation of multiple distribution licensees in the same area under the sixth proviso to Section 14.”		
	(oa) framework for development and maintenance of distribution system under the sub-section (1) of Section 42.		
	(ta) exempt Distribution Licensees from the obligation to supply to any category of consumers under the sub-section (4) of Section 43.		
	(tb) designate distribution licensee to supply electricity to consumers if their existing arrangement fails under the proviso to sub-section (4) of Section 43.		

	30. In section 183 of the principal Act, following sub-section shall be inserted, namely:-		
	<p>“(1A) Notwithstanding anything contained in sub-section (1), if any difficulty arises in giving effect to the provisions of this Act as amended by the Electricity (Amendment) Act, 2025, the Central Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act, as may appear to it to be necessary for removing the difficulty:</p> <p>Provided that no such order shall be made under this section after the expiry of a period of two years from the date of commencement of the Electricity (Amendment) Act, 2025.”</p>	Agreed	

B. New amendments proposed

SI No.	Existing Provision	Suggestion (changes highlighted in yellow colour)	Justification
1.	Section 95, 96, 120(5), 135, 150(1), 151, 152, 154, 155, 156, 161 and 169 have reference to Indian Penal Code (IPC), 1860 or Code of Criminal Procedure, 1973 (CrPC)	Indian Penal Code, wherever appearing in the Act, to be changed to Bharatiya Nyaya Sanhita and Code of Criminal Procedure, 1973 to be replaced by Bharatiya Nagarik Suraksha Sanhita, 2023	The Indian Penal Code (IPC), 1860 has been replaced by the Bharatiya Nyaya Sanhita (BNS), 2023 . The Code of Criminal Procedure, 1973 (CrPC) was replaced by the Bharatiya Nagarik Suraksha Sanhita, 2023 (BNSS) .
2.	In section 1 (2) the principal Act (2) It extends to the whole of India except the State of Jammu and Kashmir.	Clause may be amended as: (2) It extends to the whole of India except the State of Jammu and Kashmir .	After passage of the Jammu & Kashmir Reorganization Act 2019, the erstwhile State of Jammu and Kashmir has been bifurcated into UT of Jammu and Kashmir and UT of Ladakh and special

			status of State of Jammu and Kashmir has been withdrawn. Therefore, the Electricity Act 2003 would be applicable in its entirety to entire India.
3.	New Clause Section 66A. (Cross Border Trade of Electricity):	<p>Section 66A. (Cross Border Trade of Electricity):</p> <p>The Central Government may, from time to time, issue policy directions and guidelines relating to cross-border trade of electricity, including security, strategic, commercial, and operational considerations and all agencies under this Act shall comply with such directions.</p> <p>Provided that all guidelines, rules, notifications, and arrangements relating to cross-border trade of electricity issued prior to commencement of this Amendment shall be deemed valid and shall continue until replaced.</p>	The Electricity Act, 2003 governs domestic generation, transmission, trading, and distribution, but does not mention cross-border trade (CBTE) in electricity anywhere. Current CBTE is based only on executive guidelines and regulations, not a statutory mandate. Cross-border trade should be included in the Act to provide legal certainty, regulatory clarity, investor confidence, and strategic oversight for India's expanding role in regional electricity markets.
4	In sub section (8) of Section 15 (Procedure for grant of licence), the following may be amended: (8) A licence shall continue to be in force for a period of twenty- five years unless such licence is revoked.	<p>Clause May be modified as:</p> <p>(8) A licence shall continue to be in force for a period of not less than thirty twenty five years unless such licence is revoked.</p>	The term of transmission service agreement is 35 years from CoD. In order to reduce the perceived risk of the developers associated with non-renewal of license after 25 years, it is proposed that the tenure of license should be cover concession period (35 years)+ construction period.
5	Proviso 5 under Section 42 (2):	May be amended as:	As per Green Open Access Rules, Green Open Access is allowed to any

	<p>Provided also that the State Commission shall, not later than five years from the date of commencement of the Electricity (Amendment) Act, 2003, by regulations, provide such open access to all consumers who require a supply of electricity where the maximum power to be made available at any time exceeds one megawatt.</p>	<p>Provided also that the State Commission shall, not later than five years from the date of commencement of the Electricity (Amendment) Act, 2003, by regulations, provide such open access to all consumers who require a supply of electricity where the maximum power to be made available at any time exceeds one megawatt or as specified by the Central Government.</p>	<p>consumer and the limit of Open Access Transaction has been reduced from 1 MW to 100 kW for green energy, to enable small consumers also to purchase renewable power through open access.</p> <p>Accordingly, the Section may be modified</p>
6	<p>In Section 68. (Provisions relating to Overhead lines): --- - (1) An overhead line shall, with prior approval of the Appropriate Government, be installed or kept installed above ground in accordance with the provisions of sub-section (2).....</p>	<p>May be modified as: Section 68. (Provisions relating to Overhead electric lines): (1) An overhead electric line shall, with prior approval of the Appropriate Government, be installed or kept installed above ground in accordance with the provisions of sub-section (2).....</p>	<p>The term 'overhead line' may be substituted with the term 'electric line', as the latter encompasses both overhead lines and underground cables.</p>
7	<p>Subsection (i) of Section 73 :</p> <p>(i) collect and record the data concerning the generation, transmission, trading, distribution and utilisation of electricity and carry out studies relating to cost, efficiency, competitiveness and such like matters;</p>	<p>Clause may be modified as: (i) collect and record the data concerning the generation, transmission, trading, power and carbon markets, distribution and utilisation of electricity and carry out studies relating to cost, efficiency, competitiveness and such like matters;</p>	<p>Data for power and carbon markets is essential to regularly review, analyze, and report on market results, and offer recommendations on market improvements to the Central Commission.</p>

8	In Section 73; The following new clauses may be inserted.		
i	New clause	(ea) Prepare the disaster management plan for the power sector and coordinate response	Disaster preparedness and management will become increasingly important for the future. Resilient grids are needed in view of the climate change impacts
ii	New clause	(eb) monitor compliance of the regulations issued by it under this Act	CEA has been given the roles of issuing Regulations on different technical aspects. However, there is uncertainty regarding who will monitor the implementation of these regulations. Without proper monitoring, safety and security of the grid may be affected.
iii	New clause	(ec) monitor independently the working of markets of electricity	Independent monitoring is proposed to regularly review, analyze, and report on market results, and offer recommendations on market improvements to the Central Commission.
iv	New clause	(na) Advise the Central and State Government for ensuring Resource Adequacy comprising generation and transmission adequacy in the grid	Resource adequacy will be one of the pillars of the grid for Viksit Bharat 2047. This will prevent price shocks to consumers due to unplanned shortage as generation/transmission capacity takes time to come up.
v	New clause	(nb) Advise the Central Government in matters of cross border trade of electricity	Presently Member (Power System) has been nominated as Designated Authority under the Guidelines for

			Cross Border trade in electricity. This is to formalize the mechanism.
9	Subsection (c) in Section 73: (c) specify the safety requirements for construction, operation and maintenance of electrical plants and electric lines;	May be amended as: (c) specify the safety requirements for construction, operation and maintenance of electrical plants, and electric lines and other grid connected infrastructure;	Apart from electrical lines and electric plants, emerging technologies like Electric Vehicles and Data Centres are getting connected. Safety of this grid connected infrastructure are also need to be specified by CEA.
