

¹[**The Himachal Pradesh Electricity Regulatory Commission (Security Deposit) Regulations, 2005]**

Amended, repealed or otherwise affected by:-

1. *HPERC (Security Deposit) (Removal of Difficulties) (First Order) 2005 notified vide the Not. No. S.O. (414) dated 6th October, 2005 published in the R.H.P.(Extra), dated 11th October, 2005 at p. 3735-3736. for Hindi Text see the R.H.P. (Extra) dated 11th October, 2005 at p. 3733-3734.*
2. *(First Amendment) Regulations, 2011 notified vide the Not. No. HPERC/414 dated 03 November 2011 published in the R.H.P. dated 11th November, 2011 at p. 4022-4023. For Hindi Text see the R.H.P. dated 11th November, 2011 at p. 4021-4022.*
3. *(Second Amendment) Regulations, 2015 notified vide the Not. No. HPERC/414/ (Security Deposit) dated 28th November, 2015 published in the R.H.P. dated 1st December, 2015 at p. 5569-5571.*
4. *(Third Amendment) Regulations, 2020 notified vide the Not. No.HPERC/ 414/(Security Deposit) dated 3rd July, 2020 published in the R.H.P. dated 4th July, 2020 at p. 1298-1302.*

NOTIFICATION

Dated: Shimla, the 30th March, 2005

No. HPERC/414 :-The Himachal Pradesh Electricity Regulatory Commission, in exercise of the powers conferred by clauses (v) and (w) of sub-section (2), of section 181 read with section 47 of the Electricity Act,2003(36 of 2003) and all other powers enabling it in this behalf, after previous publication, hereby makes the following regulations, namely :-

1. Short title, extent and commencement.- (1) These Regulations may be called the Himachal Pradesh Electricity Regulatory Commission (Security Deposit) Regulations, 2005.

(2) These regulations shall be applicable to all distribution licensees in their respective licensed areas, in the State of Himachal Pradesh.

(3) These regulations shall come into force from the date of their publication in the Rajpatra, Himachal Pradesh.

1. Definitions .- In these regulations, unless the context otherwise requires, -

- (a) “**Act**” means the Electricity Act, 2003 (36 of 2003);
- (b) “**Applicant**” means the owner or occupier of any premises who makes an application to the distribution licensee for supply of electricity;
- (c) “**Commission**”means the Himachal Pradesh Electricity Regulatory Commission;

¹ Published in the R.H.P.(Extra) dated 30th March, 2005 at p. 4377- 4382. For Hindi text see the R.H.P. (Extra) dated 30th March, 2005 at p. 4369-4376.

- (d) **“Consumption charges”** means the consumption of electrical energy in kWh or kVAh multiplied by appropriate tariff rates and also includes demand/fixed charges, and customer charges etc., wherever applicable;
- (e) **“Licensee”** means a distribution licensee authorized to operate and maintain a distribution system and supply electricity at any voltage to consumers in the concerned area of supply;
- (f) **“Month”** means the calendar month and the period of about 30 days between the two consecutive meter readings shall also be regarded as a month for the purpose of billing;
- (g) **“Person”** shall include any company or body corporate or association or body of individuals, whether incorporated or not, or artificial juridical person and also includes the Central and the State Government Department, the State Government Undertaking and their employees.
- (h) **“State”** means the State of Himachal Pradesh; and
- (i) other words and expressions used and not defined in these regulations, but defined in the Act, shall have the meanings as assigned to them in the Act.

3. Power to require security.- (1) The distribution licensee shall require every person, who requires a supply of electricity to his premises in pursuance of section 43 of the Act, to give security as provided in regulation 4, for the payment of all monies, which may become due to the licensee -

- (a) in respect of the electricity supplied to such person; or/and
- (b) where any electric line or electrical plant or electric meter is to be provided for supplying electricity to such person, in respect of the provision of such line, plant and/or meter.

¹[Provided that the licensee may not obtain such security in case where the supply of electricity is required for its own use.]

(2) If such person fails to give such security under sub-regulation (1), the distribution licensee may refuse to give the supply of electricity or to provide the line or plant or meter for the period during which the failure continues.

4. Security deposit for the supply of electricity.- ²[(1) The applicant for a new electricity connection or additional load shall, on demand from the licensee at the rates worked out as per regulation 5, deposit, within the time limits in which such amount is demanded, the initial security deposit for the connected load (in case of connections covered under single part tariff) and for the contract demand (in case of connections covered under two part tariff).]

(2) If any person is prepared to take the supply through a pre-payment meter, the distribution licensee shall not be entitled to collect the security deposit in respect of the electricity supplied to such person:

¹ Proviso inserted vide Not. No. HPERC/414/(Security Deposit) dated 28th November, 2015, published in the R H.P. dated 1st December, 2015 at p. 5569-5571.

² Sub. for the sub-regulation (1) Not. No. HPERC/414/(Security Deposit) dated 3rd July, 2020, published in the R H.P. dated 4th July, 2020 at p. 1298-1302.

“(1) The consumer shall, at all times maintain with the licensee an amount equivalent to consumption charges for the billing cycle period, as security during the period the agreement for supply of energy to such consumer remains in force.”

Provided that in the case of existing consumer who opts for the supply through the pre-payment meter, the licensee shall refund the amount of the security deposit of such consumer lying with the licensee.

¹[(3) Save as provided in sub-regulation (1) and sub-regulation (2), the consumer shall also, on demand from the distribution licensee as per the provisions of Regulation 6, deposit such additional amount by which the total amount of security already deposited by him falls short of the amount equivalent to the average bill (excluding arrears but including late payment surcharge, if any) for (n+1.35) months based on the bills raised in relation to the period of twelve billing months (April to March) of the immediately preceding year.

Note.—'n' means the number of months contained in the billing cycle applicable for the applicant depending upon the area in which connection is to be released and the tariff category.]

²[(4) The amount payable by the consumer towards the initial security deposit under these Regulations shall be in the form of cash/demand Draft (DD) drawn in favour of the licensee:

Provided that where the amount of initial security deposit payable at a time ³[exceeds rupees twenty five lacs], the consumer may opt to furnish such deposit in shape of bank guarantee and may continue to avail the facility of bank guarantee subject to provision of sub- regulation (6):

Provided further that the consumers who have already furnished the initial security deposit in shape of bank guarantee may also continue to avail the facility of bank guarantee irrespective of the amount of deposit, subject to the provision of sub- regulation (6).

(5) The amount payable by the consumer towards the additional Deposit under these Regulations shall also be in the form of cash/demand Draft (DD) drawn in favour of the licensee:

Provided that the consumers who have furnished the initial security deposit in shape of bank guarantee as per the provision under sub-regulation 4, or where the amount of additional security deposit payable by the consumer at a time exceeds ⁴[rupees twenty five lacs], the consumer shall have the option, subject to the provisions of sub regulation (6), to furnish such deposit in shape of bank guarantee.

(6) (a) The consumer shall get, or cause to get, at least sixty days before the expiry of the validity period, any bank guarantee(s) furnished by him as per sub-regulations(4) and (5), extended for a minimum period of next three years at a time.

(b) In case a consumer fails to renew any such bank guarantee, as referred to in clause (a) above, ⁵[even till the date falling on 30th day prior to expiry of the validity period, the distribution licensee shall immediately get the bank guarantee encashed well

¹ Sub. for the sub-regulation (3) Not. No. HPERC/414/(Security Deposit) dated 3rd July, 2020, published in the R H.P. dated 4th July,2020 at p. 1298-1302. Before its substitution sub-regulations (3) of regulation 4 read as under:

“(3) The initial security deposit payable at the time of releasing the supply shall be at flat rates mentioned in regulation 5.”

² Subs. vide Not. No. HPERC/414/(Security Deposit) dated 28th November, 2015, published in the R H.P. dated 1st December, 2015 at p. 5569-5571. Before its substitution sub-regulations (4) of regulation 4 read as under:

“(4) The amount payable towards security shall be in the form of cash/demand draft (DD) drawn in favour of the licensee:”

³ Sub. for the words “i.e. at the time of release of new connection or for sanction of additional load exceeds Rupees ten lacs” Not. No. HPERC/414/(Security Deposit) dated 3rd July, 2020, published in the R H.P. dated 4th July,2020 at p. 1298-1302.

⁴ Sub. for the words “Rupees ten lacs” Not. No. HPERC/414/(Security Deposit) dated 3rd July, 2020, published in the R H.P. dated 4th July, 2020 at p. 1298-1302.

⁵ Sub. for the words “within the validity period, the licensee shall recover the corresponding amount” Not. No. HPERC/414/(Security Deposit) dated 3rd July, 2020, published in the R H.P. dated 4th July, 2020 at p. 1298-1302.

before the expiry of the validity period and further in such cases, the licensee shall also immediately review the adequacy of the security deposit as per the sub-regulation (1) of regulation 6 and recover the amount of additional security deposit, if due,] from the consumer in shape of cash/demand draft and such consumer shall not be entitled to avail the facility of bank guarantee for any future security deposit for a period of three years from the date of expiry of the validity of such bank guarantee.

(7) The Security deposit furnished in shape of cash/demand draft etc. shall not be refunded for facilitating its conversion into bank guarantee at any subsequent stage.

¹[(8) Save as provided in sub-regulations (4), (5) and (6), the Bank Guarantee shall be furnished on a form containing the terms and conditions and the validity period etc., as may be standardized and posted on the website by the distribution licensee, from time to time.]

²**[5. Initial security deposit.]**—(1) The distribution licensee shall recover and the applicant shall pay the initial security deposit towards the electricity to be supplied to him, at the

¹ *Ins. sub-regulation (8) in regulation 4 Not. No. HPERC/414/(Security Deposit) dated 3rd July, 2020, published in the R.H.P. dated 4th July, 2020 at p. 1298-1302.*

² *Sub. vide Not. No. HPERC/414/(Security Deposit) dated 3rd July, 2020, published in the R.H.P. dated 4th July, 2020 at p. 1298-1302. Before its substitution regulation 5 read as under:*

“5. Initial security deposit. - (1) The applicant shall pay initial security deposit towards the electricity to be supplied to him at the flat rates as given in the following table:-

Table

Sr. No.	Type of category	Initial security deposit per kW/kVA or fraction thereof of connected load / contract demand (amount in rupees)			
		4 months billing	3 months billing	2 months billing	monthly billing
1.	2.	3.	4.	5.	6.
1	Tribal areas, remote, difficult and hard areas - all categories except temporary metered supply and street light supply upto 20 kW.	330	-	-	-
2	Tribal areas, remote, difficult and hard areas-all categories above 20 kW except industry, bulk supply, temporary metered supply and street light supply.	-	-	240	-
3	Rural areas all categories upto 20 kW, except industries, temporary metered supply and street light supply.	-	360	-	-
4	Rural areas all categories above 20 kW, except industries and bulk supply, temporary metered supply and street light supply.	-	-	120	-
5	Urban areas up to 20 kW except industries, bulk supply, temporary metered supply and street supply.	-	-	-	-
	(a) DS	-	-	340	-
	(b) CS/NDNCS/WPS	-	-	700	-
6.	Urban areas above 20 kW except industries, bulk supply, temporary metered supply and street supply	-	-	-	-
	(a) DS	-	-	-	170
	(b) CS/NDNCS/WPS	-	-	-	350
Industries bulk supply, temporary metered supply and street light supply.					
7	Small and medium industries power supply upto 20 KW for all areas except tribal, remote, difficult and hard areas.	-	-	-	500
8	Small and medium industrial power supply (Above 20 kW to 100 kW) for all areas.	-	-	-	750
9	Large industries power supply (above 100 kW) for all areas.	-	-	-	1000
10	Bulk supply (BS) for all areas.	-	-	-	850
11	Temporary metered supply for all areas.	-	-	-	850
12	Street light supply above 20 kW for all areas.	-	-	-	500

Explanation.-For the purpose of this regulation,-

- (a) “**Remote, Difficult and Hard Areas**” means the areas which are declared as remote, difficult and hard areas by the State Government from time to time.
- (b) “**Rural Areas**” means the areas which are not the urban areas.
- (c) “**Tribal Areas**” means such areas as may by order be declared to be Scheduled Areas under Part-C of the Fifth Schedule to the Constitution of India.
- (d) “**Urban Areas**” means the areas which are declared as the larger urban areas, the smaller urban areas or the transitional urban areas under the Act concerning the municipalities.
- ²[(e) “**Below Poverty Line (BPL) Beneficiary**” means the person belonging to very poor category of persons below poverty line, declared as such, by general or special order, by Central/State Government, from time to time.]

rates worked out in sub-regulation (2) of this regulation for each kW of the connected load applied for/sanctioned in case of the tariff categories covered under single part tariff and for each kVA of contract demand applied for/ sanctioned in case of tariff categories covered under two part tariff, as per the tariff order of the Commission for the relevant year:

Provided that in case of application for additional load, the initial security deposit shall be recovered only for such additional load or contract demand, as the case may be, and not on the total connected load or contract demand inclusive of the additional load or contract demand.

(2) The distribution licensee shall work out the per kW or per kVA rates of initial security deposit in accordance with the following formula:—

Rate in Rs. /kW of connected load = $L * D * H * F * T * (n+1.35)$ or per kVA of Contract Demand

Where,

'L' is 1kW of connected load for applicant(s) falling under single part tariff; and 1kVA of contract demand in case of applicant(s) falling under two part tariff as per the retail tariff order of the Commission for the relevant year for which such rates are to be calculated;

'D' is the average number of working days in one month for the relevant tariff category, as tabulated in the table below;

'H' is the number of hours per day for which power is used on average basis by the consumers under respective categories and the values for the same for the respective categories of consumers shall be taken as given in table below;

'F' is demand factor for respective categories of consumers as per the value tabulated below;

'T' is the average tariff in Rs./kWh or Rs./kVAh as the case may be, for the relevant category (*i.e.* schedule of tariff) in accordance with the retail tariff order of the Commission for the relevant year for which such rates are to be calculated;

'n' is the number of months contained in the billing cycle applicable for the applicant depending upon area in which connection is to be released and the tariff category;

Table

Category	D	H	F
Domestic Supply	30	8	0.3
Non-Domestic Non-Commercial Supply	25	12	0.4
Commercial Supply	25	12	0.4
Small Industrial Power Supply	25	8	0.6
Medium Industrial Power Supply	25	12	0.6
Large Industrial Power Supply	25	20	0.75
Irrigation and Drinking Water Pumping Supply	30	12	1

(2) In the case of consumers who have sanctioned additional demand, the additional security deposit shall be calculated only for the additional demand.

(3) If the applicant does not make payment of initial security deposit in terms of this regulation, the licensee can refuse to release supply.”

Bulk Supply	30	12	1
Street Lighting Supply	30	10	1
Temporary Metered Supply	30	12	1
Railway Traction	30	12	1

Provided that in case of the Below Poverty Line (BPL) beneficiary, the rate of initial security deposit shall be equal to "one half" (or '50%') of the respective rate that would have been applicable in normal cases;

Explanation.— For this purpose "the Below Poverty Line (BPL) beneficiary" means the person belonging to very poor category of persons below poverty line, declared as such, by general or special order, by Central/State Government, from time to time.

(3) Save as provided in the 3rd proviso to this sub-regulation, the distribution licensee shall calculate the category wise rates of security deposit in the beginning of the each financial year and circulate the same to its field units which shall be charged from the applicants to whom demand notices are issued on or after the first day of July of that year:

Provided that in case the issuance of tariff order for the relevant year is delayed for some reasons, such rates shall be worked out and applied *w.e.f.* the 16th day from the date on which the retail tariff order is issued by the Commission:

Provided further that the rates applicable for the previous year shall continue to remain applicable till the rates based on the tariff order of the relevant current year are worked out and applied as per the first proviso to this sub-regulation:

Provided further that the distribution licensee shall work out and shall circulate the same before the 30th September, 2020 such rates for the period 1st October, 2020 to 30th June, 2021 by taking into account the average category wise rates as per the retail tariff order for the latest year as available on the said date.]

6. Review and payment of additional security deposit for the electricity supplied.-

¹**[1) General Review.—**The distribution licensee shall, on first day of July of each year or soon thereafter, check the adequacy of the security deposit recovered by it from the each consumer excepting those specifically exempted from payment of security deposit in accordance with sub-regulations (1) of regulations 3 and shall ascertain, in case of each consumer, as to whether the amount already recovered from him on account of security deposit falls short of the amount required to be maintained in accordance with sub-regulation (3) of regulation 4 and shall, in case of any shortfall, issue demand notice for the additional security deposit as per sub-regulations (2) of this regulation:

Provided that in cases falling under sub-regulation (6) of regulation 4, or when the circumstances otherwise so warrant, the distribution licensee may carry out special review in relation to individual consumers even more than once in a year on the basis of average billing for 12 months immediately preceding the month in which such additional review is made:

¹ Sub. vide Not. No. HPERC/414/(Security Deposit) dated 3rd July, 2020, published in the R H.P. dated 4th July, 2020 at p. 1298-1302. Before its substitution sub-regulation (1) of regulation 6 read as under:

"**[1) In respect of the consumers credit-rated as poor under regulation 9, the adequacy of the amount of security deposit viz-a-viz the charges for the period equivalent to summation of the billing cycle and additional one month, shall be reviewed by the licensee generally once in every year (preferably after revision of tariff for the respective year), based on the average consumption for the period representing 12 (twelve) months from April to March of the previous year."**

Provided further that in case of consumer(s) where the amount of security deposit exceeds, or is likely to exceed as a result of any such review, Rs. 5 Lacs, the distribution licensee may also require such consumers to submit the additional information from them on the formats, as it may, from time to time, standardize and post on its website.]

(2) Demand notice for additional security deposit.-(a) Based on the review as per sub-regulation (1), the demand for shortfall will be made by the licensee:

¹[Provided that if the shortfall is less than Rupees 500 (five hundred only) of the existing security deposit, no demand shall be made by the licensee:

Provided further that, save as provided in the fourth proviso to this clause, the amount of additional security deposit to be demanded in any period of three months shall not exceed 30% of the average monthly bills raised in relation to the period of twelve billing months (April to March) of the immediately preceding year:

Provided further that in case the demand for additional security deposit is restricted in accordance with the preceding proviso, the demand (s) for the balance amount of additional security deposit shall be raised at intervals of three months ensuring that the limit as per the preceding proviso is not exceeded in any such demand notice for additional security deposit:

Provided further that the amount of additional security deposit in case of existing consumers appearing in the list of poor credit rated consumer (s) as per sub-regulation (2) of regulation 9, the entire amount of additional security deposit shall be recovered through a single demand notice and the restriction as per the preceding two provisions shall not be applicable in that case.]

(b) Where the consumer is required to pay additional security deposit, the licensee shall issue, to the consumer, a 30 days' demand notice specifying the amount payable with supporting calculations.

²[(2A) The Below Poverty Line (BPL) beneficiaries in the State for supply of electricity to them, for residential or domestic usage, shall pay the initial security deposit equal to 'one half' (or, '50%') of the respective rate of initial security deposit, specified in the Table under sub regulation (1).]

(3) Surcharge for belated payment of additional security deposit.-(a) The consumer shall pay the additional security deposit within thirty days from the date of service of the demand notice issued by the licensee.

(b) If there is any delay in payment, the consumer shall pay simple interest thereon at 12% per annum or at such rates as may be fixed by the Commission from time to time, without prejudice to the licensee's right to disconnect supply of electricity, as per sub-regulation (4) of this regulation.

¹ Sub. vide Not. No. HPERC/414/(Security Deposit) dated 3rd July, 2020, published in the R.H.P. dated 4th July, 2020 at p. 1298-1302. Before its substitution for clause (a) under sub-regulation (2) of the existing proviso read as under:

"Provided that if the short fall is less than 10% of the existing security deposit, no demand shall be made by the licensee."

² Ins. vide Not. No. HPERC/414 dated 3rd November, 2011 published in the R.H.P. dated 11th November, 2011 at p. 4022-4023. For Hindi Text see the R. H.P., dated 11th November, 2011 at p. 4021-4022.

(4) Disconnection for non-payment of additional security deposit for the electricity supplied.- Where additional security deposit is demanded by the licensee in terms of this regulation, and the consumer does not make the payment, the supply to the consumer shall be liable for disconnection, without any further notice.

7. Interest on security deposit payable by the licensee.- (1) Subject to the provisions of sub-section (2) of section 47 of the Act, the licensee shall, with effect from the month succeeding the date on which the security amount is deposited, pay simple interest on security deposit of a the consumer at the ¹[weighted average of actual Bank Rate(s) for the previous year] as notified by the Reserve Bank of India or such higher rate as may be fixed by the Commission from time to time and the amount of interest payable shall be rounded off to the nearest rupee.

(2) Where either the security deposit is less than rupees 100 or a connection is disconnected within one year after giving the supply, no interest shall be payable thereon.

(3) The interest accruing to the credit of the consumer shall be adjusted annually against the amounts outstanding from the consumer to the licensee as on 30th June of every financial year and the amounts becoming due from the consumer to the licensee immediately thereafter.

(4) The licensee shall duly show the amounts becoming due to the consumer towards interest on the security deposit in the bills raised on the consumer and due after 30th June.

(5) The distribution licensee shall maintain for accrual of interest on security deposit of the consumers a separate head of account.

(6) The licensee shall pay penal interest on the interest payable at twice the rate specified under sub-regulation (1) for the delay in making the adjustments for interest on security deposit beyond a period of 30 days after the date as specified in sub-regulation (3). This penal interest shall not be a pass through to the consumers in the licensee's Annual Revenue Requirement.

8. Refund of security deposit.- (1) Where an agreement for supply of electricity is terminated as per the terms and conditions of supply, the licensee shall be required to refund the security deposit if any, after making adjustments for the amounts outstanding from the consumer to the licensee, within one month of the effective date of termination of the agreement:

Provided that if such refund is delayed beyond the period of one month as specified above, the licensee shall pay simple interest on such deposit @ 12 % per annum from the effective date of termination of the agreement without prejudice to other rights of and remedies available to the consumer.

²[(2) In case of permanent reduction of connected load (in case of single part tariff) and contract demand (in case of two part tariff), the total amount of security deposit

¹ Subs. for "Bank Rate (as on 1st April of every year)" vide Not. No. HPERC/414/(Security Deposit) dated 28th November, 2015, published in the R H.P. dated 1st December, 2015 at p. 5569-5571.

² Sub. vide Not. No. HPERC/414/(Security Deposit) dated 3rd July, 2020, published in the R H.P. dated 4th July, 2020 at p. 1298-1302. Before its substitution for sub-regulation (2) of regulation 8 read as under:

"(2) Where contract demand/connected load is reduced by the consumer or the billing cycle is reduced, the licensee shall reduce the amount of security on pro-rata basis and refund excess amount, after making adjustments for the amounts outstanding from the consumer to the licensee, within one month of the effective date of reduction of contract demand/connected load:

already recovered from that consumer shall be apportioned against the security deposit for the balance connected load/contract demand, as the case may be, worked out at the rates of initial security deposit as applicable for FY 2020-21 or any subsequent period encompassing the effective date of such reduction and the balance amount of security deposit already recovered, if any, shall be refunded to that consumer after adjusting the outstanding dues recoverable from him:

Provided that such refund, if due, shall first be made by way of release of bank guarantee, if any, to that extent and the refund in cash shall be made only after exhausting the said mode involving release of bank guarantee:

Provided further that refund, if due, shall be made to the consumer within thirty days of the effective date of reduction of connected load/contract demand:

Provided further that in case where any refund is required to be made in cash, if such refund is delayed beyond the period of 30 days as specified above, the distribution licensee shall pay the simple interest @12% per annum on the such amount for the numbers of days for which the same is unduly withheld (other than bank guarantee) beyond the permitted period of 30 days.]

Miscellaneous

9. Credit Rating.-¹[(1) Every year, the licensee shall, of its own, carryout the credit rating of its existing consumers by applying uniform criteria, which shall be hosted on its website, for such credit rating in respect of each category of consumers.]

(2) Every year the licensee shall publish the list of poorly rated consumers who are habitually defaulters for an amount exceeding rupees ten thousand in the newspapers and host the same on its website.

10. Power to remove difficulties.- (1) In case of any difficulty in giving effect to any of the provisions of these regulations, the Commission may, either *Suo-motu* or on application made to it, do or undertake to do things, or by general or special order direct the licensee to take suitable action, not being inconsistent with the Act, which appears to the Commission to be necessary or expedient for the purpose of removing the difficulty.

11. Issue of orders and practice directions.- Subject to the provisions of the Act, and these regulations, the Commission may, from time to time, issue orders and practice directions with regard to the implementation of these regulations and procedures to be followed for such implementation and matters incidental or ancillary thereto.

12. Interpretation - All issues arising in relation to interpretation of these regulations shall be determined by the Commission and the decision of the Commission on such issues shall be final.

Provided that if such refund is delayed beyond the period of one month as specified above, the licensee shall pay simple interest on such deposit @ 12 % per annum from the effective date of reduction of contract demand/connected load, without prejudice to other rights of and remedies available to the consumer.”

¹ *Subs. vide Not. No. HPERC/414/(Security Deposit) dated 28th November, 2015, published in the R.H.P. dated 1st December, 2015 at p. 5569-5571. Before its substitution sub-regulations (1) of regulation 9 read as under:*

“(1) Every year, the licensee shall, through reputed consultants, carry out the credit rating of the existing consumers”.

By order of the Commission
-Sd-
Secretary

**Notifications and Orders
under
The Himachal Pradesh Electricity Regulatory Commission (Security Deposit)
Regulations, 2005**

¹[The Himachal Pradesh Electricity Regulatory Commission (Security Deposit)
[Removal of Difficulties] (First) Order, 2005]

ORDER

Shimla, the 6th October, 2005

S.O. (414)- Whereas the Himachal Pradesh Electricity Regulatory Commission (Security Deposit) Regulations, 2005 (hereinafter referred to as “the said regulations”) came into force on the 30th March, 2005;

And whereas the table under regulation 5, read with clause (b) of regulation 2, of the said regulations provides that the owner or the occupier of any premises, who makes an application to the distribution licensee for supply of electricity shall pay initial security deposit towards the electricity to be supplied to him at flat rates per kw/kVA or fraction thereof of connected load/contract demand;

And whereas difficulty has arisen in ascertaining the circumstances in which the applicant should pay the security deposit on the basis of connected load or on the basis of contract demand;

Now, therefore, the Commission in exercise of the powers conferred on it by regulation 10 of the said regulations, hereby makes this order in respect of payment of initial security deposit on connected load or contract demand, not in consistent with the provisions of the Electricity Act, 2003 and the said regulations, to remove the difficulty namely :-

1. **Short title and commencement.**-(1) This order may be called the Himachal Pradesh Electricity Regulatory Commission (Security Deposit) [Removal of Difficulties] (First) Order, 2005.
(2) It shall come into force on the date of its publication in the Rajpatra, Himachal Pradesh.
2. **Initial security deposit .-** The initial security deposit per kw/kVA or fraction thereof .-
(a) wherever the tariff is single part i.e. kwh, shall be on the basis of the connected load; and
(b) wherever the tariff is two part on demand and energy charge, shall be on the basis of the contract demand.

By order of the Commission
-Sd-
Secretary

¹ Published in R H.P. dated 11th October, 2005 in at p. 3735-3736.