

The Electricity Act, 2003

Section 40 - Duties of transmission licensees

It shall be the duty of a transmission licensee--

- (a) to build, maintain and operate an efficient, co-ordinated and economical inter-State transmission system or intra-State transmission system, as the case may be;
- (b) to comply with the directions of the Regional Load Despatch Centre and the State Load Despatch Centre, as the case may be;
- (c) to provide non-discriminatory open access to its transmission system for use by--
 - (i) any licensee or generating company on payment of the transmission charges; or
 - (ii) any consumer as and when such open access is provided by the State Commission under sub-section (2) of section 42, on payment of the transmission charges and a surcharge thereon, as may be specified by the State Commission:

Provided that such surcharge shall be utilised for the purpose of meeting the requirement of current level cross-subsidy:

Provided further that such surcharge and cross subsidies shall be progressively reduced ^{1***} in the manner as may be specified by the Appropriate Commission:

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Provided also that the manner of payment and utilisation of the surcharge shall be specified by the Appropriate Commission:

Provided also that such surcharge shall not be leviable in case open access is provided to a person who has established a captive generating plant for carrying the electricity to the destination of his own use.

1. The words and eliminated omitted by s. 6, *ibid.* (w.e.f. 15-6-2007).

2. The third proviso omitted by Act 26 of 2007, s. 6 (w.e.f. 15-6-2007)