

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:

[2](#)[***]

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. Omitted for the words "and eliminated" by The Electricity (Amendment) Act, 2007, Dated 28.05.2007.

2. Omitted by The Electricity (Amendment) Act, 2007, Dated 28.05.2007. Prior to Substitution it read as under:

"PROVIDED also that such surcharge may be levied till such time the cross subsidies are not eliminated:"

