

# **Nepal Electricity Authority Community Electricity Distribution Bye Laws, 2060**

In exercise of the power conferred by Section 35 of the Nepal Electricity Authority Act, 2041 (1982) the Board of Directors of Nepal Electricity Authority has framed the following Bye Laws. Chapter: 1

## **Preliminary**

### **1. Short Title and Commencement:**

- (a)** This Bye Laws may be called as **Nepal Electricity Authority Community Electricity Distribution Bye Laws, 2060.**
- (b)** This shall come into force immediately.

### **Definitions:**

Unless the subject or context otherwise requires, in this Bye Laws-

- (a)** Act means **Nepal Electricity Authority Act, 2041 (1982).**
  - (b)** Authority means the Nepal Electricity Authority constituted pursuant to **Section 3** of the Act.
  - (c)** Board means the Board of Directors constituted pursuant to **Section 8** of the Act.
  - (d)** Managing Director means the person appointed pursuant to **Section 17** of the Act.
  - (e)** Distributing Institution means the Institution registered as per clause 5 of the Bye Laws with the objective of providing electricity distribution service on the community basis in the rural area.
  - (f)** Community Bulk Consumer means the Distributing Institution constituted to supply electricity to the customer by having a meter fixed in one point in the rural area.
  - (g)** Bulk Meter means an instrument fixed in Distribution System to measure the electricity supplied by Authority to the Distributing Institution.
  - (h)** Agreement means an Agreement entered between the Authority and the Distributing Institution as per Schedule 3 pertaining to the supply of electricity by the Distributing Institution purchased on bulk rate basis from the Authority.
  - (i)** Customer means an individual or institution whose name is registered in the list of customers consuming the electricity services sold and supplied by a Distributing Institution. And this term includes the chief of the institution or office in the case of an institution or office, and, in the case of the death of the registered customer, his heir according to prevailing law.
  - (j)** Meter means the instrument installed by the Authority in the house of the customer or an instrument installed by Distributing Institution in the house of the customer to measure the electricity consume.
  - (k)** Distribution Area means the rural area as mentioned in the Agreement concluded between the authority and the Distributing Institution. But all the customer receiving or to receive supply of 50 KVA or above within the Distribution Area shall also be the customer of the Authority.
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**(l)** Distribution Line means the distribution infrastructures in the distribution area after the bulk meter installed for the purpose of supply of electricity by the Distributing Institution

**(m)** Distribution Network means the distribution infrastructures for the purpose of supply of electricity from the electricity generation plant or sub plant up to the bulk meter of the Distributing Institution

**(n)** Office Chief means the officers of the Authority authorized to use financial and administrative power having separate budget, position for some particular objectives.

**(o)** Local Office means the concerned district branch office or Distribution Centre under the Distribution and Consumer Service of the Authority.

**Objective:**

The objectives of this Bye Laws shall be as follows:

**(a)** To promote public participation for bringing effectiveness in the present distribution arrangement by reducing theft and conducting maintenance and distribution system on community basis through the Distributing Institution.

**(b)** To encourage community management in the extension of distribution lines through the Distributing Institution in the protection and promotion of electricity distribution system.

**(c)** To attract private investment in the field of rural electrification through the Distributing Institution as the pace of rural electrification in the present context has been very slow to meet the need of the people.

**(d)** To promote technical and managerial capability of rural community in the field of electricity distribution through Distributing Institution.

**Liability of Distributing Institution:**

The liability of Distributing Institution shall be as follows.

**(a)** To make timely payment of electricity purchased from the Authority;

**(b)** To provide prompt electricity service to the customer;

**(c)** To provide reliable, secured and quality electricity service to the customer

**(d)** To attempt to make the Institution financially capable by mobilizing the internal and foreign capital;

**(e)** To arrange the trained manpower as required.

**Registration of Distributing Institution:**

**(a)** The registration of Distributing Institution can be done as per any of the following laws.

**(1) Company Act, 2053 (1996)**

**(2) Cooperatives Act, 2048 (1991)**

**(3) Association Registration Act, 2034 (1977)**

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**(4) Social Welfare Act, 2049 (1992)**

**(5)** Existing Users Association or Institution registered as per prevailing laws.

Provided that such Association shall have to get their constitution amended with the inclusion of purpose of doing the community electricity distribution.

**(b)** The establishment of the Distributing Institution shall have to be done from among the local electricity consumers.

**Office and distributing area of Distributing Institution:**

**(a)** The office of the Distributing Institution shall have to be located in the place accessible to the concerned distributing area.

**(b)** The rural area mentioned in the Agreement shall be the distributing area of the Distributing Institution.

Provided that the customers having supply of 50 KVA or above, within that distribution area, shall be the customers of the Authority.

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**Chapter 2**

The documents to be submitted by the Distributing Institution to enter into Agreement with the Authority.

The documents to be submitted by the Distributing Institution:

**(a)** The Institution intending to distribute electricity within the area of the Authority shall have to apply in to the Community Rural Electrification Department through the Local Office of the Authority in the format as specified in Schedule-1.

**(b)** The application to be filed pursuant to above **clause 7(a)** shall have to be attached the following documents.

**(1)** The copy of the registration certificate registered in the concerned agency as per **clause 5**;

**(2)** The area of the Distributing Institution and the proposal including the demarcation of that area;

**(3)** Two copies of the Constitution of the Distributing Institution;

**(4)** The particulars pertaining to the human resources, technical and financial sources of the Distributing Institution;

**(5)** The copy of the decision of the Executive Committee of the Distributing Institution;

**(6)** The name list with two copies of passport size photograph of each of the members including the Chairperson of the Executive

Committee;

**(7)** NRs. 100.00 as application fee;

**(8)** The copy of the license as per **Electricity Act, 2049** in case applying for more than 1 MW.

**Process initiation upon the application of the Distributing Institution:**

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**(a)** The Community Rural Electrification Department shall have to issue letter of intent to Distributing Institution to enter into Agreement after the 60 days from the date of application as per schedule-2 after making necessary investigation upon the application filed as **per clause 7**.

While investigating the application in case it is found that some documents is still required or some thing is required for further clarification or an application by other Distributing Institution has already been received to the area demanded for or an Agreement is already entered with other Distributing Institution or Agreement can not be entered into with the concerned Distributing Institution as per the prevailing laws, the applicant has to be informed to that effect within 60 days.

**(b)** The Distributing Institution shall have to be entered into Agreement within 45 days from the date of information received as per **sub clause (a)**.

**(c)** The Authority shall not be held responsible in case the Distributing Institution failed to present for entering into Agreement within the stipulated time as per the **sub clause (b)**. And the letter of intent issued in the name of Distributing Institution shall be automatically held cancelled.

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### **Chapter-3**

#### **Functions, Duties and Responsibilities of Distributing Institution**

##### **9 Operation and Management**

**(a)** The functions, duties and responsibilities of the Distributing Institution in relation to operation and management of electricity distribution lines shall be as follows:

**(1)** The act of doing regular payment of the power purchased from the authority;

**(2)** The services to be rendered to new customers;

**(3)** All functions in relation to availing the Right of Way to be required for the extension of distribution lines within the distribution area; and

**(4)** The regular and emergency repair, maintenance service for electricity distribution and the extension of distribution line service.

**(b)** In case the damage is caused as result of not following the guidelines as mentioned in **Clause 9 (a)**, it shall be the responsibility of the Distributing Institution to keep in a condition as it was at the time of transfer by repairing such damage.

**(c)** Perform the functions pertaining to electricity distribution keeping in view of **Nepal Electricity Act, 2041, Electricity Act, 2049, Electricity Regulations, 2050**, prevailing construction standards and other prevailing laws, rules and bye laws.

**(d) (1)** The Distributing Institution shall have to keep up to date records of the information as mentioned in schedule 5 and such records shall have to be produced when required by Authority.

**(2)** The Distributing Institution shall get their institution renewed from the concerned agency and shall have to inform

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to the Authority of such renewal. In case it is not complied with action shall be taken as per clause 17

#### **10. Repair and Maintenance Fund**

**(a)** The Distributing Institution shall have to establish a separate repair and maintenance fund for the regular repair and maintenance of distribution lines. The Distributing Institution shall have to deposit monthly at least 10 percent of monthly sales income in such fund.

**(b)** The amount deposited in such fund shall have to be spent only in repair and maintenance purpose.

**(c)** The Distributing Institution shall not get relieved from its duty of repair and maintenance in case there is shortage of amount in the fund.

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### **Chapter-4**

#### **Responsibility of Authority**

##### **11. To Make Available to Distributing Institution**

**(a)** After the conclusion of Agreement with Distributing Institution the Authority shall provide the following information of existing distribution lines for the operation of distribution lines:

**(1)** The updated records of name of customers, customer number, address within distributing area from each transformers.

**(2)** The technical particulars of distribution lines.

**(3)** The records of the dues in the name of all customers as per classification of customers, who have not paid electricity bills of the Authority,

**(4)** The records of the dues in the name of the black listed customers, classified as customers for not paying electricity bills of the Authority.

**(b)** The Authority shall issue a certificate for the operation of community rural electrification distribution service as per Schedule 4 after the conclusion of the Agreement between Authority and Distributing Institution as per Schedule 3.

**(c)** The local office of the Authority shall monitor about the realization of arrears from the customers placed in black list and shall also monitor whether such amount is deposited timely in the accounts of the Authority.

**(d)** The local office of the Authority shall monitor about providing the electricity service until the realization of arrears from the customers placed in Black list. If the new electricity service is provided without realizing the arrears from the customers placed in Black list, such arrear amount shall be realized from the concerning Distributing Institution.

##### **12. Provisions Pertaining to Bulk Meter Reading of Distributing Institution**

**(a)** The installation of bulk meter for Distributing Institution shall be done as per necessity in each 440 volt or 11 Kv feeder in each transformer.

**(b)** The reading of bulk meter installed by the Authority shall be done in the first day of every month in the presence of

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local office of the Authority and the authorized representative of Distributing Institution and the tariff invoice of such reading shall be provided to Distributing Institution in the spot itself. There shall be no problem in the meter reading even in the absence of representative of Distributing Institution.

### **13. Community Rural Electrification, Extension of Distribution Lines and Reinforcement of System**

**(a)** A separate Community Rural Electrification Fund shall be established for the community rural electrification, extension of distribution lines and system strengthening.

**(b)** The amount to be received from His Majesty's Government or from any other sources shall be deposited in the Fund to be established as **per Clause 13 (a)**.

**(c)** The amount deposited in the Fund shall be spent in the activities as mentioned in **sub-clause (a)** in the distribution area, while fixing the programs for spending the fund as per **sub-clause (b)** in the area of Distributing Institution, the program shall be launched fixing the priority also keeping in view of the investments to be made by the Distributing Institution.

**(d)** The strengthening of lines given on lease or rent shall be done by the Authority. But the repair and maintenance of such lines shall have to be done by the Distributing Institution itself. **14. Training**

**(a)** In case the demand is made by the Distributing Institution for the training of its employees, the Authority shall provide the technical and managerial training free of cost for one year from the date of Agreement.

**(b)** In case the demand for training is made after one year, the Authority shall have to arrange for such training with reasonable charges.

### **15. Upgrading of the Capacity of Transformer**

**(a)** In case new customers could not be made due to low capacity of transformer installed by the Authority within the distributing area or the transformer is over loaded due to over consuming of energy by the existing consumers, the Authority shall upgrade the capacity of transformers after necessary investigation upon receipt of the application from the Distributing Institution.

**(b)** The number of new customers could be increased within the capacity of transformer. The Distributing Institution itself shall have to change the transformer in case it is damaged due to extension of services making the transformer over loaded without upgrading its capacity or the transformer is damaged in absence of proper repair. Provided that in case the transformer or any equipment related thereto burnt or damaged due to natural calamities, the Authority shall change the transformer or equipments free of cost.

**(c)** New supply from any transformer shall be given only after investigating the capacity of transformer, and if so allowed. In case if it is not possible with the capacity of transformer it shall be the responsibility of the Distributing Institution to inform to the Authority for the purpose of **Sub-clause (a)**.

**(d)** The Authority shall provide the services of Meter testing of the customers of Distributing Institution in a similar manner to its customers.

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(e) The Authority shall make available the meter, metering instruments and any other necessary electrical instruments as demanded by the Distributing Institution taking fees as per regulations.

(f) The Distributing Institution compulsorily shall take meter from the Authority and install in the home of customers.

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## **Chapter 5**

### **Provision Relating to Agreement**

#### **16. Agreement Relating to Operation of Electricity Services**

(a) The Agreement in relation to electricity distribution services can be entered with Distributing Institution subject to the provisions as mentioned in this Bye Laws as per schedule-3.

(b) The Authority shall issue certificate for operation of electricity distribution services certificate as per schedule 4 to the Distributing Institution who has concluded Agreement as per **sub-clause (a)**.

#### **17. Non-Compliance with the Obligation**

The Authority shall issue a notice to the Distributing Institution in case the duties and obligations as specified in this Bye Laws is not complied with by the Distributing Institution.

#### **18. Revocation of the Agreement**

(a) In case, the electricity supply is stopped by the Distributing Institution.

(b) The Authority can issue a notice to revoke the Agreement if the obligation is not fulfilled by Distributing Institution even though duly notified to the Distributing Institution as per Clause 17. The Distributing Institution can file application before the Dispute Settlement Committee within 35 days from the date of receipt of the notice of revocation of the Agreement. In case, the application is not filed within the stipulated time, the Authority unilaterally shall revoke the Agreement and furnish the notice thereof to Distributing Institution.

#### **19. Automatic Termination of the Agreement**

The Agreement entered by the Authority with Distributing Institution shall ipso facto terminated in the following circumstances:

(a) In case, the Agreement is not renewed within thirty five days from the date of completion of the term of Agreement.

(b) In case, the Distributing Institution is liquidated; and

(c) In case, both the parties agree to terminate the Agreement.

#### **20. Date of entry into force of Agreement**

The Agreement entered between the Authority and the Distributing Institution for operation of electricity services and

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distribution area shall deemed to be entered into force on the date as specified in the Agreement.

#### **21. Term of the Agreement**

The term of the Agreement shall be fixed by the mutual consent of both parties. While fixing the term in this manner, the nature of investment, quantity and geographical region shall also be taken into consideration.

#### **22. Amendment in Agreement**

This Agreement shall be amended on mutual consent of both parties in a way not inconsistency with the spirit of the Bye Laws.

#### **23. Liquidation of Distributing Institution**

In case the Distributing Institution is liquidated or the Distributing Institution stopped the electricity distribution services unilaterally, the Authority shall have first priority to realize its dues as per Agreement from the movable and immovable assets of the Distributing Institution.

But if the dues is not realized from the movable and immovable assets of the Distributing Institution, the authority can realize as government dues proportionately from the property of Board of Directorates or Executive Committee members.

#### **24. Alternate Arrangement for Electricity Distribution**

In case the Agreement is revoked as per **Clause 18** or there is situation as mentioned by **Clause 19**, the Authority, by itself or by other Distributing Institution arrange or cause to arrange the electricity distribution services in such area. However, while arranging for electricity distribution in such area, by the Authority, there shall be proper evaluation and by deducting the depreciation of the distribution lines built with private investment in the distribution area of Distributing Institution and the dues of the Authority shall be adjusted with such amount and any remaining amount shall be returned to such Distributing Institution. The Authority itself shall provide the electricity distribution services in such area.

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### **Chapter 6**

#### **Provision Relating to Dispute Settlement**

##### **25. Dispute Settlement**

**(a)** A Dispute Settlement Committee as per clause 26 shall be constituted to hear any sorts of dispute to be arisen between Authority and Distributing Institution or in relation to the directions under this Bye Laws given by the Authority to Distributing Institution or in the matters pertaining to cancellation of Agreement.

**(b)** In case one party feels the other party is not fulfilling its obligation as per the Agreement entered between the Authority and Distributing Institution, the affected party along with the explanation of effect, shall request the other

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party for the remedy of the same.

(c) The concerned party shall have to resolve the problem within 35 days from the date of receipt of request as per sub-clause (b). In case, it is not solved within this date, the affected party may file application as per Clause 25 (a) before the Dispute Settlement Committee.

## **26. Dispute Settlement Committee**

(a) The composition of the Dispute Settlement Committee shall be as follows:

(1) Person designated by His Majesty's Government, Ministry of Water Resources . Chairman.

(2) General Manager of Distribution and Consumer Services of the Authority or a person designated by him Member

(3) The Chief of the Distributing Institution . Member

(4) Representative of the Distributing Institution . Member

(5) The Chief of the Community Rural Electrification Department of the Authority Member Secretary

(b) The Dispute Settlement Committee can itself decide its working procedures.

(c) The Community Rural Electrification Department of the Authority shall perform as the Secretariat of the Committee.

(d) In case there is presence of Chairman of the Dispute Settlement Committee, a member of Distributing Institution as per **clause 26 (a)**, and Member Secretary, such presence of 3 people shall be taken as the required quorum for the meeting of Dispute Settlement Committee.

## **27. The Rights of the Dispute Settlement Committee**

(a) The Dispute Settlement Committee shall make decision after investigation upon the application filed as **per**

**Clause 25 (c)**. The Committee can take legal and technical advice if required.

(b) The Dispute Settlement Committee shall have to decide within 60 days from the date of receipt of the application. And the decision of the Committee shall have to be given to the concerned party as soon as possible.

(c) No party can stop the electricity distribution services until decision is made in the dispute between Authority and Distributing Institution and an order has been issued by the Dispute Settlement Committee thereof.

(d) The decision of the Dispute Settlement Committee shall be final.

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## **Chapter 7**

### **Provision Relating to Electricity Tariff**

#### **28. Electricity Tariff and Other Charges for the Distributing Institution**

(a) The tariff for bulk community customers shall be fixed by the mutual consent of the Authority and the Distributing Institution keeping also in consideration of quantity of distribution area, geographical location, participation in investment, investment and technical aspects.

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**(b)** The Distributing Institution shall have to deposit the tariff amount monthly in the Bank Account designated by Authority or in cash to the local office of Authority.

**(c)** The Authority shall realize the amount and other charges from the Distributing Institution pursuant to the Electricity Tariff Realization Regulation, 2050.

**(d)** The Distributing Institution shall realize tariff fixed by Tariff Fixation Commission and other charges from its customers as per Electricity Tariff Realization Regulation, 2050. But the Distributing Institution can implement additional procedures if it feels necessary.

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## **Chapter 8**

### **Incentives**

#### **29. Incentives to be Received by Distributing Institution**

**(a)** The Authority shall award 5 percent of the amount realized out of the arrears and 25 percent of the amount from black-listed customers as incentive to Distributing Institution.

**(b)** On the annual function of Authority the Authority shall award shield and certificates to the best Distributing Institution to be determined on the following basis. The number of Distributing Institution to be rewarded in such manner shall not be more than 10 percent of the total number of the Distributing Institution.

**(1)** If the average consume per year per customer is more than other Distributing Institution;

**(2)** If the tariff amount is timely paid to Authority;

**(3)** If the electricity theft is less than other Distributing Institution; and

**(4)** If the power interruption or burning of transformer is less as a result of sufficient attention over electricity installations.

**(c)** The Authority may arrange a study tour of Distributing Institution within the country or neighbouring country for up to two representatives of the Distributing Institution rewarded as excellent as **per Clause (b)**.

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## **Chapter 9**

### **Provision Relating to Renting or Leasing of Distribution Lines**

#### **30. Renting or Leasing of Electricity Distribution System**

**(a)** The Authority fixing the standard, can give the electricity distribution lines on lease or rent to Distributing Institution. The ownership of the lines given on lease or rent shall lie in the Authority. But there shall not be any rent on the lines built by Distributing Institution by its own resources and the ownership of such lines shall lie in the Distributing Institution itself. Any cash or in-kind received to Distributing Institution from His Majesty's Government or local agency shall not be taken as private investment of the Distributing Institution.

**(b)** The Distributing Institution shall have to pay the lease or rent amount to the Authority. In case of partial investment made by Distributing Institution, there shall be concession on lease amount on the proportion of investment.

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## **Chapter 10**

### **Provision Relating to Control of Theft of Electricity**

#### **31. Action Against Theft of Electricity**

(a) The Authority shall take action as per Electricity Theft Control Act, 2058 and Electricity Theft Control Regulation, 2059 in case there is electricity stealing by Distributing Institution.

(b) The Distributing Institution shall have to take action as per Electricity Theft Control Act, 2058 and Electricity Theft Control Regulation, 2059 to the customers engaged in stealing of electricity within the territory of the Distributing Institution.

(c) The Distributing Institution can frame and implement the code of conduct, procedures and program for customers with the objective of discouraging the theft of electricity.

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## **Chapter 11**

### **Miscellaneous**

#### **32. Final Audit**

The Distributing Institution shall have to arrange for yearly audit of the financial as well as other transactions within three months from the date of closing of fiscal year. The Distributing Institution shall have to make available the annual report including the audited financial statement, if so demanded by the Authority.

#### **33. Tax**

It shall be the obligation of the Distributing Institution to pay the tax, and other charges levied as per prevailing laws to His Majestys Government.

#### **34. Addition or Reduction in Distribution Area**

The Distributing Institution on consultation and permission from Authority, may alter in the demarcation line of its distribution areas. But, in case of reduction in the area, it is not permitted until any other Distributing Institution comes in that area.

#### **35. Fiscal Year of Distributing Institution**

The fiscal year of the Distributing Institution should be the same like that of the Authority.

#### **36. Natural Calamities**

In case of damage in distribution lines due to natural calamities and if it is not possible to repair from the Repair and Maintenance Fund of the Distributing Institution, and if there is request for repair from Distributing Institution, the Authority, if finds appropriate, may repair the distribution lines as per necessity.

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### **37. Interpretation of Bye-Laws**

The Board of Directors of the Authority shall have the right to interpret this Bye Laws. The interpretation of the Board shall be final.

#### **Schedule 1**

##### **( related to clause 7(a) )**

Application Form for the operation of community electricity distribution service

Community Rural Electrification Department  
Distribution and Consumer Service  
Nepal Electricity Authority

C/O .. ( Local office of Authority)

**Re:** Request for the permission to operate the electricity service.

I/We hereby file application along with the documents. to distribute electricity in the area of ..Zone.. District..Village Development Committee Ward no.. demarcated as . East. West.. North South.. purchasing in bulk from Authority under the terms and conditions laid down by Community Electricity Distribution Regulation, 2060.

Particulars

**Name of the electricity Distributing Institution:**

**Area:**

**District:**

**Municipality/Village Development Committee**

**Ward no:**

**Village/ Tole:**

**Number of Transformers, Capacity:**

**Feeder:**

**(a) Name of Feeder:**

**(b) Feeder area (from ..to..)**

**(c) The demand of energy power (.KVA) as requested to utilize by the Distributing Institution shall be on the basis of installed capacity of electrical power or on the basis of capacity of transformer.**

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(d) The present situation of electricity distribution in the proposed area:

(1) The particulars of houses in the area:

(a) Number of concrete houses.

(b) Number of tile roof houses.

(c) Number of thatched roof houses.

(2) Tentative number expected to take electricity line ..

Among this number:

(a) Number of concrete houses.

(b) Number of tile roof houses.

(c) Number of thatched roof houses.

(3) Present number of customers..

(4) Probable area

(5) Probable number of customers.

(e) The documents as mentioned in **clause 7(b)**.

(f) Provision relating to repair and maintenance.

(g) Security arrangements of distribution line, transformer including electrical instruments.

(h) Terms and Conditions of employees of the Distributing Institution.

(i) Provision relating to Meter reading, Billing and Tariff Collection.

(j) Provision relating to operation of distribution system and repair and maintenance.

The statements made hereunder are true, We agree to work as per Community Electricity Distribution Regulation, 2060 and other prevailing laws, if done contrary agree to bear any legal actions. Person signing on behalf of Distributing Institution:

**Applicant**

**Signature:**

**Name:**

**Designation: Chairman**

**Designation: Member-Secretary Address:**

**Address:**

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**Telephone number:**

**Fax number:**

**Email:**

**Date:**

**Schedule 2**

related to **clause 8(a)**

Letter of Intent to enter into Agreement

Nepal Electricity Authority

Consumer and Distribution Service

Community Rural Electrification Department

Whereas Nepal Electricity Authority is desirous to provide electricity services to its customers on community basis under its distribution system through the Distributing Institution constituted as per prevailing laws by entering into Agreement with them;

And for this purpose the .Distributing Institution has filed application to operate electricity distribution services in the area as mentioned in Schedule 1 of the Bye Laws on to Authority;

Whereas upon investigation on the application the following distribution area as proposed on the application has been approved;

It is hereby informed as per Community Electricity Distribution Regulations, 2060 to be present to enter into Agreement with the Authority within 45 days from the date of receipt of this notice.

**Approved Distribution area**

**District:**

**Municipality/ village Development Committee**

**Ward no:**

**Village /Tole**

**Number of Transformers, capacity:**

**Feeder:**

**Name of Feeder:**

**Feeder Area (from ..to..)**

**Notifying Officer**

**Signature:**

**Name:**

**Designation:**

**Date:**

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### **Schedule 3**

**( related to clause 16 )**

Model of the Agreement

Whereas the . Distributing Institution (hereinafter termed as Distributing Institution) has applied on . in Authority for the operation of electricity services under the distribution system of Nepal Electricity Authority (hereinafter termed as Authority); and

Whereas a Letter of Intent has been issued on .... to enter to Agreement for the operation of electricity distribution services;

This Agreement has been entered under the following terms and conditions.

#### **Conditions:**

Both parties agree to discharge their rights and duties as per Community Electricity Distribution Regulations, 2060.

Both parties agree that each party shall be held responsible for the effect rendered as a result of not fulfilling their duties as mentioned in Regulations.

This Agreement can be amended on mutual consensus of both the parties.

This Agreement shall remain valid for years from the date of Agreement.

#### **5. Approved distribution area of the Distributing Area**

**District:**

**Municipality/ Village Development Committee**

**Ward no:**

**Village /Tole**

**Number of Transformers, capacity:**

**Feeder:**

**Name of Feeder:**

**Feeder Area (from ..to..) :**

**(7)** It will not be allowed to have adverse impact upon each party in the future as a result of amendment in the Community Electricity Distribution Regulations, 2060. The compensation of such impact shall be provided to affected parties on the recommendation of Dispute Settlement Committee. With the commitment to fulfill the above conditions, this Agreement on electricity distribution has been done on .. in the presence of following witnesses between Nepal Electricity Authority and Institution.

On behalf of the Distributing Institution On behalf of Nepal Electricity Authority

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**Signature**

**Seal of the Institution**

**Date:**

**Name:**

**Designation:**

**Signature of the Witness:**

**Date:**

**Name:**

**Designation:**

**Schedule 4**

**(Related to clause 16(2) )**

License to operate electricity service

**Phone no:**

**Fax no:**

**Email no:**

**Date:**

Nepal Electricity Authority

Distribution and Consumer Service

Community Rural Electrification Department

Registration Date:

License number:

(Name of the Distributing Institution)

It is hereby awarded this license for the operation of electricity distribution service after getting permanently recorded in this Department on . pursuant to Nepal Electricity Authority, Community Electricity Distribution Bye Laws, 2060.

**Signature:**

**Name:**

**Designation:**

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