

Electric Power Law of the People's Republic of China

1996-04-01

CHAPTER I GENERAL PROVISIONS

Article 1 This Law is enacted to guarantee and promote the development of the electric power industry, to safeguard the lawful rights and interests of those who invest in, manage or consume electric power and to guarantee the safe operation of electric power.

Article 2 This Law shall apply to activities concerning the construction, generation, supply and consumption of electric power within the territory of the People's Republic of China.

Article 3 The electric power industry should meet the needs of the development of the national economy and the society and should therefore develop slightly ahead of the other sectors of the economy. The State encourages and provides guidance to lawful investment in the development of power resources and establishment of power-generating enterprises by economic organizations or individuals at home and abroad.

The principle of "whoever invests, benefits" shall be applied with regard to investment in the power industry.

Article 4 Electric power facilities shall be under the protection of the State.

No unit or individual may endanger the safety of electric power facilities or illegally take possession of or use electric power.

Article 5 In the construction, generation, supply and consumption of electric power, attention shall be paid to protecting the environment according to law and adopting new technology to decrease the discharge of poisonous waste, prevent and control pollution and other public hazards.

The State encourages and supports the generation of electricity through the use of renewable and clean energy resources.

Article 6 The electric power administration department under the State Council shall be responsible for supervision and control of the electric power industry throughout the country. The departments concerned under the State Council shall be responsible for supervision and control of the electric power industry within their own limits of authority.

The department in overall charge of the economy under the local people's government at or above the county level is the electric power administration department of that administrative region and shall be responsible for supervision and control of the electric power industry there. The departments concerned under the local people's government at or above the county level shall be responsible for supervision and control of the electric power industry within their own limits of authority.

Article 7 Enterprises engaged in construction and generation of electric power or operation of power networks shall make their own managerial decisions and be responsible for their own profits and losses in conformity with legal provisions, and they shall subject themselves to supervision by the electric power administration departments.

Article 8 The State assists and supports minority nationality regions, outlying areas and poverty-stricken areas in their efforts to develop their electric power industry.

Article 9 The State encourages adoption of advanced scientific, technical and managerial methods for construction, generation, supply and use of electric power and shall give awards to those units and individuals have achieved remarkable successes in research, development and adoption of advanced scientific, technical and managerial methods.

CHAPTER II CONSTRUCTION OF ELECTRIC POWER

Article 10 Plans for electric power development shall be drawn up in light of the needs of the national economic and social development and shall be included in the plans for national economic and social development.

In the plans for electric power development should be embodied the principles of making rational use of energy resources, coordinating the development of power supply and power networks, increasing economic results and benefiting environmental protection.

Article 11 Plans for the construction and rebuilding of power networks in urban areas shall be included in the overall plans for urban areas. The people's governments in urban areas shall arrange to provide land for transformation facilities, transmission line corridors and cable passages in accordance with the plans.

Illegal occupation by any units or individuals of land for transformation facilities, transmission line corridors or cable passages shall be forbidden.

Article 12 The State adopts relevant policies to support and promote electric power construction.

Local people's governments shall adopt varied measures in light of local conditions to develop power supply and promote power construction on the basis of the electric power development plans.

Article 13 Investors in electric power shall enjoy legal rights and interests with regard to the power generated with the help of their investment. They shall have priority in the use of the power incorporated into the power networks and authority over the control over and use of the power plants for self-supply that are not incorporated in power networks.

Article 14 Power construction projects shall conform to the electric power development plan as well as the State policies regarding the power industry.

No power facilities or technology announced obsolete by formal decree of the State shall be used in power construction projects.

Article 15 Auxiliary projects for power networks, such as transmission and transformation projects, dispatch communication automation projects, and environmental protection projects shall be designed, constructed, checked, accepted and put into operation simultaneously with the progress of the power-generating projects.

Article 16 Land use for power construction projects shall be handled in accordance with relevant laws and administrative rules and regulations. No requisition of land shall be regarded as legal until land compensation fees and settlement allowances have been paid and necessary arrangements have been made for the residents who moved away.

In power construction the principles of giving practical protection to cultivated land and economizing on land use shall be applied.

Local people's governments shall support and assist legal use of land and migration of residents in the interest of power construction.

Article 17 Local people's governments shall support electric power enterprises in their effort to explore water resources and develop the legal intake or use of water for the construction of power-generating projects. The electric power enterprises shall economize on the use of water.

CHAPTER III GENERATION OF ELECTRIC POWER AND ADMINISTRATION OF POWER

Article 18 Electric power shall be generated and the power networks shall be operated in accordance with the principles of safety, high quality and economy.

The operation of power networks shall be maintained in an uninterrupted and stable way and the reliability of electricity supply shall be guaranteed.

Article 19 Electric power enterprises shall strengthen administration over safe generation, adhere to the principle of putting safety and prevention first, and institute and keep improving the responsibility system of safe generation.

Electric power enterprises shall regularly examine and maintain their power facilities in order to guarantee normal operation.

Article 20 Enterprises engaged in the supply and transportation of power-generating fuels and in power generation shall supply, transport and unload the fuels in accordance with the relevant regulations of the State Council or contractual agreements.

Article 21 Centralized dispatching and level-by-level administration shall be exercised in the operation of power networks. No units or individuals may illegally intervene in the dispatching of power networks.

Article 22 The State encourages the merger of power-generating enterprises with power networks and of networks with networks. Requests by power-generating enterprises in the status of qualified independent legal persons to incorporate the power they generate into a network shall be accepted by the enterprise that operates

the network.

Operation of the merged power networks shall meet the standards of the State or of the power industry.

The two parties involved in the merger shall, in accordance with the principles of centralized control, level-by-level administration, equality, mutual benefit and agreement to be reached through consultation, sign an agreement, in which they shall stipulate the rights and obligations of each party; where the two parties fail to reach an agreement, a decision shall be made by the electric power administration department at or above the provincial level through coordination.

Article 23 Measures for administration of power network dispatching shall be formulated by the State Council on the basis of the provisions of this Law.

CHAPTER IV SUPPLY AND USE OF ELECTRIC POWER

Article 24 The State applies the administrative principles of safe, economical and planned supply and use of electric power.

The measures for supply and use of electric power shall be formulated by the State Council on the basis of the provisions of this Law.

Article 25 Power-supply enterprises shall supply electricity to the consumers within their approved service areas.

In the division of electric power service areas factors such as the structure of power networks and the rationality of power supply shall be taken into account. There shall be only one power-supply enterprise in each electricity service area.

To establish or alter an electricity service area, the power-supply enterprise within the boundaries of a province, autonomous region or municipality directly under the Central Government shall submit an application to the electric power administration department under the people's government of the said province, autonomous region, or municipality, which after examining and approving the application jointly with the relevant departments at the same level, shall issue to the enterprise a Power-supply Permit. Establishment or alteration of an electricity service area spanning different provinces, autonomous regions or municipalities directly under the Central Government shall have to be examined and approved by the electric power administration department under the State Council, which shall issue a Power-supply Permit. Power-supply enterprises shall not begin operation until, by showing the Power-supply Permits, they have applied to and obtained business licenses from the departments in charge of industry and commerce.

Article 26 The power-supply enterprise in any electricity service area shall be obligated to supply electricity to the consumers within its service area in accordance with the regulations of the State. It may not, in violation of State regulations, refuse to supply electricity to any unit or individual within their service area that has applied for power supply.

New electricity users, temporary users, users who wish to have the electric capacity increased, to alter or terminate their use of electricity shall go through the formalities in accordance with stipulated procedures.

The power-supply enterprise shall make known to the consumers in its service area the procedures, regulations and the rate for use of electricity and shall provide the consumers with any other necessary information.

Article 27 The power-supply enterprise and the consumer shall, on the basis of the principles of equality, voluntary participation and agreement reached through consultation, sign a contract in line with the measures of power supply and consumption drawn up by the State council, in which the rights and obligations of both parties shall be defined.

Article 28 The power-supply enterprise shall guarantee that the quality of the electricity it supplies to the consumers meets the standards stipulated by State. Problems of electricity quality caused by public power-supply facilities shall be solved without delay.

Where consumers raise special requirements concerning electricity quality, the power-supply enterprise shall satisfy the requirements according to necessity and the possible capacity of the power network.

Article 29 The power-supply enterprise shall supply electricity continuously without shut-off under normal operation of the power-generating and supplying systems. When it is necessary to shut off because of overhaul of power-supply facilities, limited supply of electricity according to legal provisions or illegal use of electricity by consumers, the power-supply enterprise shall, in accordance with relevant State regulations, notify the consumers in advance.

Consumers who disagree with a power shut-off by a power-supply enterprise may complain to an electric power administration department; the department that receives the complaint shall handle the case in conformity with legal provisions.

Article 30 In the event of emergency or disaster, the power-supply enterprise shall, as quickly as possible, make arrangements to supply electricity for rescue and relief work. The expenses for power supply engineering and the fees for the use of electricity shall be paid according to the relevant regulations of the State.

Article 31 Power consumers shall install electricity meters. The quantity of electricity consumed shall be calculated according to the records of the electricity meters approved by a measurement appraisal institution in conformity with legal provisions.

The design, installation and operation of current-collecting devices shall meet State standards or the standards of the power industry.

Article 32 Power consumers may not endanger the safety or disturb the order of power supply and consumption.

The power-supply enterprise shall have the authority to stop anyone from endangering the safety or disturbing the order of power supply and consumption.

Article 33 Power-supply enterprises shall calculate and collect electricity fees from the consumers according to the electricity rates that have been examined and approved by the State and the records of the electric meters.

Safety inspectors, meter checkers and fee collectors shall present their identification paper when entering consumers' houses to conduct safety inspection, check meters or collect fees.

Power consumers shall pay electricity fees as scheduled according to the electricity rates approved by the State and the record of electric meters and shall make it convenient for safety inspectors, meter checkers and fee collectors to perform their duties in conformity with legal provisions.

Article 34 Power-supply enterprises and consumers shall both observe the relevant regulations of the State by adopting effective measures to achieve the safe, economical and planned use of power.

CHAPTER V ELECTRICITY RATES AND FEES

Article 35 The electricity rates herein refer to the rates charged to the power-generating enterprises for incorporation into the power network, the rates of mutual supply between different power networks and the sales rates of electricity supplied to consumers.

The rates of electricity shall be based on a centralized policy, fixed in accordance with a unified principle and administered at different levels.

Article 36 Establishment of electricity rates shall be based on the principles of reasonable compensation of cost and reasonable determination of profits, legal incorporation of taxes, fairly shared burdens and promotion of electric power construction.

Article 37 A principle of equal rates for equal quality of electricity supplied by the same power network shall be applied with regard to incorporation into a power network. Specific measures for its application shall be formulated by the State Council.

Where different rates for incorporation into a power network are needed to be fixed for power-generating enterprises under special circumstances, specific measure shall be formulated separately by the State Council.

Article 38 With regard to the rates for incorporation into power networks spanning different provinces, autonomous regions, or municipalities directly under the Central Government, as well as for incorporation into provincial power networks, a plan shall be proposed through consultation by the enterprises engaged in power generation and in power network operation and shall be examined for approval by the department in charge of price control under the State Council.

With regard to the rates for incorporation into independent power networks, a plan shall be proposed through consultation by the enterprises engaged in power generation and in power network operation and shall be examined for approval by the authorized department in charge of price control.

For power generated by locally-funded enterprises that form independent power networks in different areas of a province or that generate power for their own use, the rates shall be under the control of the people's government of the province, autonomous region or municipality directly under the Central Government.

Article 39 With regard to the rates of electricity mutually supplied between the networks spanning different

provinces, autonomous regions or municipalities directly under the Central Government and independent power networks, or between provincial networks and independent networks, a plan shall be proposed through consultation by the two parties and shall be examined for approval by the department in charge of price control under the State Council or other department authorized by the said department.

With regard to the rates of electricity mutually supplied between independent power networks, a plan shall be proposed through consultation by the two parties and shall be examined for approval by the authorized department in charge of price control.

Article 40 With regard to the sales rates of electricity supplied by a power network spanning different provinces, autonomous regions, or municipalities directly under the Central Government, or by a provincial network, a plan shall be proposed by the network operation enterprise and shall be examined for approval by the department in charge of price control under the State Council or other department authorized by the said department.

For the sales rates of electricity supplied by an independent power network, a plan shall be proposed by the network operation enterprise and be examined for approval by the authorized department in charge of price control.

Article 41 The State institutes two systems for fixing electricity rates: one is to set the rates according to different kinds of consumers; the other is to set the rates according to the different period of time that electricity is used. The criterion for classifying the consumers and the method for dividing the period of time shall be determined by the State Council.

The same electricity rates shall be used among the same kind of consumers installed with the same level of voltage in the same power network.

Article 42 The standard rates to be paid by consumers for increased power capacity shall be determined by the department in charge of price control in conjunction with the electric power administration department under the State Council.

Article 43 No units may overstep their authority to set electricity rates. No power-supply enterprises may alter the electricity rates without authorization.

Article 44 No units or individuals may levy a surcharge on the consumers; where it is otherwise provided for in laws or administrative rules and regulations, the provisions there shall be observed.

For surcharges on electricity generated by locally-funded power enterprises, measures for levying surcharges shall be formulated by the people's governments of the provinces, autonomous regions, or municipalities directly under the Central Government in accordance with the relevant regulations of the State Council.

When collecting electricity fees, no power supply enterprises may collect other fees on behalf of others.

Article 45 Measures for control of electricity rates shall be formulated by the State Council in accordance with the provisions of this Law.

CHAPTER VI POWER CONSTRUCTION IN RURAL AREAS AND USE OF ELECTRICITY IN

Article 46 The people's governments of provinces, autonomous regions, and municipalities directly under the Central Government should work out plans for electrification in the countryside and include the plans in those for local electric power development and for national economic and social development.

Article 47 The State adopts a preferential policy regarding electrification in the countryside and provide special support to rural power construction in areas inhabited by minority nationalities, in outlying areas and in poverty-stricken areas.

Article 48 The State encourages development of waterpower resources in rural areas and construction of small and medium-sized hydropower stations, in order to promote rural electrification.

The State encourages and supports power supply in the rural areas through the use of solar energy, wind energy, geothermal energy, biomass energy and other energy resources, with a view to increasing power supply there.

Article 49 The people's government at or above the county level and the department in overall charge of the economy under it shall, when distributing electricity quotas, guarantee proper proportion of electricity for use in agriculture and in the rural areas, giving first priority to rural use of electricity for draining water-logged fields and combating drought as well as for seasonal agricultural production.

Electric power enterprises shall comply with the arrangements made for use of electricity as set forth in the preceding paragraph and may not reduce the quotas allocated for agricultural and rural use of electricity.

Article 50 The rates of electricity used in agriculture shall be set in accordance with the principle of guaranteed principal with a marginal profit.

The same rates of electricity shall gradually be applied to the electricity used by the peasants in everyday life and the electricity used by the local urban inhabitants in everyday life.

Article 51 The State Council shall formulate, in accordance with the provisions of this Law, measures for administration of electricity used in agriculture and in the rural areas.

CHAPTER VII PROTECTION OF POWER FACILITIES

Article 52 No units or individuals may damage power generating equipment, transforming equipment, electric power lines and their relevant auxiliary facilities.

Demolition operations and other operations that might endanger the safety of power facilities shall be conducted only after approval is obtained and definite measures for ensuring the safety of the power facilities are taken, as required by the regulations of the State Council concerning the protection of power facilities.

Article 53 The electric power administration departments shall, according to the State Council's regulations concerning the protection of power facilities, set up markers for the areas of power facilities protection.

No units or individuals may, within the areas that are demarcated according to law as power facilities protection areas, erect buildings or other structures, cultivate plants or pile up things which might endanger the safety of power facilities.

Plants that endanger the safety of power facilities but had been cultivated before the area was demarcated according to law as a power facilities protection area shall be trimmed or cut down.

Article 54 Any units or individuals that need to carry out operations that might endanger the safety of the power facilities in areas that are demarcated according to law as power facilities protection areas may do so only after approval has been obtained from the electric power administration department and safety measures have been taken.

Article 55 If construction, reconstruction or expansion of power facilities clashes with public utilities engineering, afforestation engineering or other projects, it may begin only after the units involved have reached an agreement through consultation in accordance with the relevant regulations of the State.

CHAPTER VIII SUPERVISION AND INSPECTION

Article 56 The electric power administration departments shall supervise and inspect implementation by electric power enterprises and consumers of the laws and administrative rules and regulations on electric power.

Article 57 To meet the need of work, electric power administration departments may be manned with electric power supervisors and inspectors.

Electric power supervisors and inspectors shall be fair-minded and honest, impartial in enforcing law, familiar with the laws and regulations on electric power and versed in related electric power skills.

CHAPTER IX LEGAL RESPONSIBILITY

Article 58 When electric power supervisors and inspectors perform their duties, they shall have the right to inquire of the electric power enterprises and consumers about their implementation of the laws and administrative rules and regulations on electric power, look up relevant documents and conduct on-the-spot inspection.

The electric power enterprises and consumers shall provide convenience to electric power supervisors and inspectors who are performing their duties.

When conducting supervision and inspection, electric power supervisors and inspectors shall produce their identification papers.

Article 59 Electric power enterprises or consumers who break the contract for supply and use of electricity and thereby cause the other party losses shall bear liability for compensation according to law.

Electric power enterprises that, in violation of the provisions of Article 28 or the first paragraph of Article 29 of this Law, fail to guarantee the quality of electricity or suspend supply of electricity without notifying the consumers in advance and thus cause the latter losses shall bear liability for compensation according to law.

Article 60 Electric power enterprises that cause consumers or a third party damage because of electric operational accidents shall bear liability for compensation according to law.

Electric power enterprises shall hold no liability for compensation if an electric operational accident is caused by one of the following factors:

(1) force majeure; or

(2) fault on the part of a consumer;

If damage is caused to an electric power enterprise or other consumers because of the fault on the part of a consumer or a third party, the consumer or the third party shall bear liability for compensation according to law.

Article 61 Any units or individuals that, in violation of the provisions of the second paragraph of Article 11 of this Law, illegally occupy land allocated for transformation facilities, transmission line corridors or cable passages shall be ordered by the people's government at or above the county level to set it right within a time limit; if they fail to do so, the obstructions shall be removed by compulsory means.

Article 62 Construction of electric power projects in violation of the provisions of Article 14 of this Law, or not in conformity with the electric power development plan or industrial policy, shall be ordered to stop by the electric power administration departments.

Where, in violation of the provisions of Article 14 of this Law, electric power equipment or technology announced obsolete by formal decree of the State are used in construction of electric power projects, electric power administration departments shall order to stop their use, confiscate the electric power equipment and impose a fine of not more than 50,000 yuan.

Article 63 If any units, in violation of the provisions of Article 25 of this Law, supply electricity or change the service area without permission, the electric power administration departments shall order them to set it right, confiscate their illegal gains and also impose a fine of not more than five times the amount of the illegal gains.

Article 64 If any units, in violation of the provisions of Article 26 or Article 29 of this Law, refuse to supply electricity or suspend power supply, the electric power administration departments shall order them to set it right and give them a disciplinary warning; if the case is serious, an administrative sanction shall be imposed on the involved persons in charge and other persons who bear direct responsibility.

Article 65 If any units or individuals, in violation of provisions of Article 32 of this Law, endanger the safe supply or use of electricity or disrupt the orderly supply or use of electricity, the electric power administration departments shall order them to set it right and give them a disciplinary warning; if the case is serious or if the units or individuals refuse to set it right, the electric power administration departments may shut off the supply of electricity to them and may also impose a fine of not more than 50,000 yuan.

Article 66 If any units or individuals, in violation of the provisions of Article 33, Article 43 or Article 44 of this Law, calculate and collect electricity fees from the consumers not according to the rates examined and approved by the State or the records shown on the electric meters or overstep their authority to set electricity rates or levy surcharges, the department in charge of price control shall give them a disciplinary warning; order them to return all the unlawful charges and may also impose a fine of not more than five times the amount of the unlawful charges. If the case is serious, an administrative sanction shall be imposed on the involved persons in charge and other persons who bear direct responsibility.

Article 67 If electric power enterprises, in violation of the provisions of the second paragraph of Article 49 of this Law, reduce the quotas allocated for agricultural and rural use of electricity, the electric power administration departments shall order them to set it right. If the case is serious, an administrative sanction shall be imposed on the involved persons in charge and other persons who bear direct responsibility. If losses are caused, they shall be ordered to compensate for the losses.

Article 68 If any units or individuals, in violation of the provisions of the second paragraph of Article 52 or Article 54 of this Law and without obtaining approval or adopting safety measures, carry out operations around the power facilities or in an area demarcated according to law as a power facilities protection area-operations that endanger the safety of power facilities, the electric power administration departments shall order them to stop their operations, put the area back into area its original state and compensate for any losses.

Article 69 If any units or individuals, in violation of the provisions of Article 53 of this Law, erect buildings or other

structures, cultivate plants or pile up things in an area demarcated according to law as a power facilities protection area, thus endangering the safety of power facilities, the local people's government shall order them to dismantle the constructions, cut down the plants or remove the things.

Article 70 If an individual commits one of the following acts and should therefore be imposed a penalty, the public security organ shall do so according to the Regulations on Administrative Penalties for Public Security. If the case constitutes a crime, criminal responsibility shall be investigated according to law:

- (1) obstructing electric power construction or rush repairs of power facilities to the extent that electric power construction or such repairs of power facilities cannot be normally conducted;
- (2) disrupting the working order of electricity-generating enterprises, power sub-stations, power dispatching stations or power-supply enterprises, thus making production and other work or business impossible;
- (3) beating up or openly insulting safety inspectors, meter checkers or fee collectors; or
- (4) resisting or preventing performance of duties by electric power supervisors and inspectors.

Article 71 If any individuals use electric energy on the sly, the electric power administration departments shall order them to stop the illegal act, pursue payment of electricity fees and impose a fine of not more than five times the amount of the electricity fees that should be paid. If the case constitutes a crime, criminal responsibility shall be investigated according to the provisions of Article 151 or Article 152 of the Criminal Law.

Article 72 Whoever steals electric power facilities or sabotages the facilities by other means shall be investigated for criminal responsibility according the provisions of Article 109 or Article 110 of the Criminal Law.

Article 73 Any member of the personnel of an electric power administration department who abuses his power, neglects his duty or conducts malpractice for personal gain to such a degree that the act constitutes a crime shall be investigated for criminal responsibility according to law; if it does not constitute a crime, an administrative sanction shall be imposed.

Article 74 Any employee of an electric power enterprise who breaks rules, makes a dispatch in violation of regulations, or disobeys a dispatch and thereby causes grave accidents shall be investigated for criminal responsibility by applying mutatis mutandis the provisions of Article 114 of the Criminal Law.

Any employee of an electric power enterprise who purposefully delays urgent repairs of electric power facilities or delays electricity supply for rescue and relief work and thereby causes serious consequences shall be investigated for criminal responsibility by applying mutatis mutandis the provisions of Article 114 of the Criminal Law.

Administrators, safety inspectors, meter checkers or electric fee collectors of an electric power enterprise who extort money from consumers or abuse their position in the enterprise for personal gain to such a degree that the act constitutes a crime shall be investigated for criminal responsibility according to law; if it does not constitute a crime, an administrative sanction shall be imposed.

CHAPTER X SUPPLEMENTARY PROVISIONS

2003-9-18