Electric Power Law of the People’s Republic of China

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Unofficial English translation prepared for reference only. The official Chinese text prevails.

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Chapter I — General Provisions

Article 1 This Law is enacted to safeguard and promote the development of the electric power industry, to protect the lawful rights and interests of investors, operators, and users of electric power, and to ensure the safe operation of electric power.

Article 2 This Law applies to 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 shall meet the needs of the national economy and social development and shall appropriately develop ahead of other sectors. The State encourages and guides lawful investment in electric power facilities by economic organizations and individuals both within and outside China, and protects the lawful rights and interests of investors.

Article 4 The protection of electric power facilities shall be strengthened by prohibiting any entity or individual from endangering the safety of electric power facilities or illegally occupying or using electric power.

Article 5 The construction, generation, supply, and consumption of electric power shall be subject to environmental protection laws and regulations and shall adopt new technologies to reduce the emission of harmful substances and prevent environmental pollution and other public hazards.

Article 6 The electric power administrative department under the State Council shall be responsible for the supervision and administration of the electric power industry nationwide. Relevant departments under the State Council shall be responsible for the supervision and administration of the electric power industry within their respective scopes of authority.

The electric power administrative departments of local people's governments at or above the county level shall be responsible for the supervision and administration of the electric power industry within their respective administrative regions.

Article 7 Enterprises engaged in the construction, generation, and supply of electric power shall operate independently and be responsible for their own profits and losses, and shall accept the supervision of the electric power administrative departments.

Chapter II — Electric Power Construction

Article 8 The development plan for electric power shall be formulated in accordance with the national economic and social development plan and incorporated into the national economic and social development plan.

The principle of unified planning shall apply to the development of electric power. Planning shall be coordinated across river basins and regions, with emphasis on the construction of power sources and power grids, and on the development of hydroelectric, thermal, nuclear, and renewable energy power generation.

Article 9 The State encourages the use of renewable and clean energy resources such as hydroelectric power, wind power, solar power, nuclear power, and biomass for power generation.

Article 10 Electric power construction projects shall conform to the electric power development plan and State industrial policies.

Electric power construction projects shall not occupy or use land, water areas, or other natural resources in violation of State regulations.

Article 11 Power transmission, transformation, and distribution projects shall be designed, constructed, and put into operation simultaneously with the power generation projects.

Article 12 In the construction of electric power facilities, the lawful rights and interests of the parties concerned shall be preserved, and necessary compensation shall be made for any requisition of land or demolition of buildings in accordance with the law.

Where electric power facilities are to be constructed in minority ethnic areas, border areas, or poverty-stricken areas, the State shall provide support and preferential treatment in terms of capital, materials, and equipment.

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Article 13 Electric power construction projects shall comply with the provisions of laws and administrative regulations concerning electricity safety, environmental protection, water and soil conservation, and protection of forests and grasslands.

Chapter III — Electric Power Generation and Grid Management

Article 14 Power grid operation shall be subject to the principles of unified dispatch and hierarchical management. All grid-connected power generation enterprises and power grids shall participate in the unified dispatch of electric power.

Article 15 Any enterprise applying to operate a power generation business shall meet the following conditions:

(a) having independently registered as a legal person;

(b) having passed the examination and approval or filing of the electric power construction project;

(c) having the corresponding capital, equipment, technology, and management personnel; and

(d) other conditions prescribed by the electric power administrative department under the State Council.

Article 16 Any enterprise applying to operate a power supply business shall meet the following conditions:

(a) having independently registered as a legal person;

(b) having power supply facilities and power supply capacity commensurate with its business area;

(c) having qualified power supply technicians and management personnel; and

(d) other conditions prescribed by the electric power administrative department under the State Council.

Article 17 Enterprises operating power supply businesses shall obtain a power supply business license from the competent authorities. No enterprise may operate a power supply business without obtaining the license.

Article 18 Power grid enterprises shall, in accordance with the provisions of laws and administrative regulations, sign grid connection agreements with grid-connected power generation enterprises and provide grid-connection services.

Power grid enterprises shall not refuse to sign grid connection agreements without justification.

Article 19 Power grid enterprises shall ensure the safe, stable, and economical operation of the power grid. Power grid enterprises and power supply enterprises shall improve their management, adopt new technologies and processes, reduce line losses, and maintain the quality of electric power.

Article 20 Power generation enterprises and power grid enterprises shall comply with the provisions of the State concerning environmental protection, and shall install and operate environmental protection facilities in accordance with the law.

Chapter IV — Electric Power Supply and Consumption

Article 21 Power supply enterprises shall supply electric power to users within their approved business areas. Power supply enterprises shall not refuse to supply power to users within their business areas without justification.

Article 22 Power supply enterprises shall guarantee the quality of the electric power supplied to users. The frequency and voltage of the alternating current supplied shall comply with State standards.

Where a power supply enterprise causes losses to users due to the failure of power supply quality to meet State standards, it shall bear liability for compensation in accordance with the law.

Article 23 Power supply enterprises shall supply electric power continuously. Where it is necessary to interrupt the power supply, the power supply enterprise shall notify users in advance.

Under any of the following circumstances, a power supply enterprise may interrupt the power supply without providing prior notice:

(a) where a force majeure event occurs;

(b) where a user's electrical equipment or wiring endangers the safety of the power supply system and the user fails to rectify the situation within the prescribed period; or

(c) where a user fails to pay electricity fees within the prescribed period despite having been urged to do so.

Article 24 Where a power supply enterprise interrupts the power supply, the enterprise shall restore power supply as quickly as possible after the cause of the interruption has been eliminated, except as otherwise provided in the preceding article.

Article 25 Users shall pay electricity fees on time. Where a user fails to pay electricity fees on time, the power supply enterprise may charge a late payment fee in accordance with the contract and State regulations.

Article 26 No unit or individual may steal electric power. Where any entity or individual steals electric power, the power supply enterprise may interrupt the power supply and shall report the matter to the electric power administrative department.

Article 27 Users shall use electric power in a safe and economical manner and shall properly maintain their electrical equipment and wiring.

Article 28 Power supply enterprises and users shall sign power supply and consumption contracts specifying the rights and obligations of both parties in relation to the supply and consumption of electric power.

Chapter V — Rural Electric Power Construction and Agricultural Power Consumption

Article 29 The State shall adopt active measures to develop rural electric power and shall provide preferential treatment for rural electrification in minority ethnic areas, border areas, and poverty-stricken areas.

Article 30 The people's governments of provinces, autonomous regions, and municipalities directly under the Central Government shall formulate plans for rural electrification and incorporate them into the local national economic and social development plans.

Article 31 The State shall encourage the development of small-scale hydroelectric power and other renewable energy sources in rural areas.

Article 32 The State shall provide support to rural electric power enterprises, and rural electric power enterprises shall give priority to ensuring the supply of electric power for agricultural production and the daily life of rural residents.

Article 33 The State shall adopt preferential measures for rural electric power, including electricity prices, taxation, and credit, to promote the development of rural electrification.

Chapter VI — Electricity Prices and Fees

Article 34 Electricity prices shall be subject to the principles of uniform policy, unified pricing, and hierarchical management.

Article 35 The electricity price policy shall be formulated by the price administrative department under the State Council in conjunction with the electric power administrative department.

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Article 36 Electricity prices shall include grid-connection prices, transmission and distribution prices, and retail prices.

Grid-connection prices shall be determined through negotiation between power generation enterprises and power grid enterprises in accordance with State provisions. For electricity generated from renewable energy sources, the grid-connection price shall be set in accordance with State policies that encourage the development of renewable energy.

Transmission and distribution prices shall be determined by the price administrative department under the State Council in conjunction with the electric power administrative department.

Retail electricity prices shall be subject to catalog prices set by the government. The price catalog shall be formulated by the price administrative department under the State Council.

Article 37 The same power grid shall implement the same electricity price catalog for the same type of users.

Article 38 Power supply enterprises shall not change electricity prices without authorization. Any increase or imposition of electricity fees beyond the permitted scope shall be prohibited.

Article 39 Users shall be billed according to the electricity meter readings approved by the metrological administrative department. No fees may be collected from users beyond the meter readings and the electricity price catalog.

Chapter VII — Protection of Electric Power Facilities

Article 40 The State shall protect electric power facilities. No entity or individual may endanger the safety of electric power facilities.

Article 41 Power line protection zones shall be established for overhead power lines. No buildings or structures may be constructed, and no trees, bamboos, or other plants that may endanger the safe operation of power lines may be planted, within the protection zones.

Article 42 The scope of power line protection zones shall be prescribed by the electric power administrative department under the State Council.

Article 43 No unit or individual may engage in any of the following activities that endanger the safety of electric power facilities:

(a) firing at power lines or insulators;

(b) flying kites, model aircraft, or drones near power lines;

(c) discharging earth wires of electrical equipment without taking safety measures;

(d) excavating earth, quarrying stone, or digging pits near electric power facility protection zones without authorization;

(e) stealing or destroying electric power facilities or accessories.

Article 44 Units and individuals shall protect the vegetation within power line protection zones. Where trees, bamboos, or other plants within the protection zones endanger the safe operation of power lines, the power supply enterprise shall have the right to trim or remove them.

Chapter VIII — Supervision and Inspection

Article 45 Electric power administrative departments shall supervise and inspect power supply enterprises, power generation enterprises, and users in respect of their compliance with electric power laws and regulations.

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Article 46 When performing their supervisory and inspection duties, staff members of electric power administrative departments shall produce their credentials. Units and individuals under inspection shall cooperate and shall not obstruct or refuse inspection.

Article 47 Electric power administrative departments shall establish a reporting system, accept reports and complaints from the public, and handle them in a timely manner.

Chapter IX — Legal Liability

Article 48 Where an enterprise operates a power supply business without obtaining a power supply business license, the electric power administrative department shall order it to cease the illegal operation, confiscate its illegal gains, and impose a fine of not more than five times the illegal gains. Where there are no illegal gains, a fine of not more than 500,000 yuan shall be imposed.

Article 49 Where a power supply enterprise changes electricity prices without authorization, the price administrative department shall order it to make corrections, confiscate the illegal gains, and may impose a fine of not more than five times the illegal gains.

Article 50 Where a power supply enterprise refuses to supply power to users within its business area without justification, the electric power administrative department shall order it to make corrections and may impose a fine.

Article 51 Where a power supply enterprise fails to guarantee the quality of electric power and causes losses to users, it shall bear civil liability for compensation in accordance with the law.

Article 52 Where a power supply enterprise interrupts power supply in violation of the law and causes losses to users, it shall bear civil liability for compensation in accordance with the law.

Article 53 Where any entity or individual steals electric power, the electric power administrative department shall order it to cease the illegal act, recover the electricity fees, and impose a fine of not more than five times the electricity fees that should have been paid. Where the case constitutes a crime, criminal liability shall be pursued in accordance with the law.

Article 54 Where any entity or individual endangers the safety of electric power facilities, the electric power administrative department shall order it to cease the illegal act and may impose a fine.

Article 55 Where any entity or individual steals or destroys electric power facilities, it shall be punished in accordance with the relevant provisions of the public security administration punishment law. Where the case constitutes a crime, criminal liability shall be pursued in accordance with the law.

Article 56 Where staff members of electric power administrative departments abuse their power, neglect their duties, or engage in malpractices for personal gain, disciplinary sanctions shall be imposed on them. Where the case constitutes a crime, criminal liability shall be pursued in accordance with the law.

Chapter X — Supplementary Provisions

Article 57 The State Council shall formulate regulations for the implementation of this Law in accordance with this Law.

Article 58 This Law shall enter into force as of April 1, 1996.

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