

**BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION
BAYS No. 33-36, SECTOR-4, PANCHKULA- 134112, HARYANA**

Case No. HERC/Petition no. 08 of 2024

Date of Hearing: 27.03.2024

Date of Order: 27.03.2024

In the Matter of

Petition filed under section 181 of the Electricity Act, 2003 and Regulations 19, 20, 21 and 22 of HERC (Terms And Conditions for setting up Charging Infrastructure, Tariff and other Regulatory issues for Electric Vehicles), Regulations, 2021 read with regulations 65, 68, 69, 70 And 71 of Conduct of Business Regulations, 2019, seeking amendment/relaxation thereto of clause 17(f) of the Haryana Electricity Regulatory Commission (Terms And Conditions For Setting Up Charging Infrastructure, Tariff and other Regulatory Issues For Electric Vehicles), Regulations, 2021.

Petitioner

Uttar Haryana Bijli Vitran Nigam Limited (UHBVNL)

Present on behalf of the Petitioner

1. Ms. Sonia Madan, Advocate
2. Sh. Maninder Singh, SE/Commercial
3. Sh. Arun, AEE/Commercial

Quorum

Shri Nand Lal Sharma	Chairman
Shri Naresh Sardana	Member
Shri Mukesh Garg	Member

ORDER

Background:

1. The present petition has been filed by the distribution licensee i.e UHBVNL seeking amendment/relaxation of Clause 17 (f) of the HERC EV Regulations to the extent of removing the mandate that the petitioner will incur the amount of CSR fund on providing for separate/dedicated transformer along with associated equipment for providing connection for load more than 50 KW for E-vehicle charging station(s) or in the alternative specifying a maximum capping for the amount to be spent on the supply of transformers and allied infrastructure of specified rating and capacity for providing HT connection for E-vehicle Charging Stations under the CSR fund in accordance with Clause 21 of the EV Regulations, 2021.
2. The details of the petition filed is reproduced as under:

- i) That the present Petition is being filed by Uttar Haryana Bijli Vitran Nigam (hereinafter referred to as "UHBVN/ Petitioner" for the sake of brevity) through the Superintending Engineer/Commercial, UHBVN who is authorized to file the instant Petition and is otherwise also well conversant with the facts of the case.
- ii) That the present Petition is being filed before the Hon'ble Commission seeking amendment/relaxation of Clause 17 (f) of the HERC (Terms and Conditions for setting up Charging Infrastructure, Tariff and other Regulatory issued for Electric Vehicles), Regulations, 2021 (hereinafter referred to as "EV Regulations, 2021" for the sake of brevity) to the extent of not mandating the Petitioner to expend the amount of CSR fund on separate/dedicated transformer along with allied equipment for providing connection for load more than 50 KW for E-vehicle charging station(s) or in the alternative specifying a maximum capping for the amount to be expended in the supply of transformers and allied infrastructure of specified rating and capacity for providing HT connection for E-vehicle Charging Stations under the CSR fund of Discoms in accordance with Clause 21 of the EV Regulations, 2021.
- iii) It has been submitted that the said EV Regulations have been notified by the Hon'ble Commission in exercise of its power under Section 181 of the Electricity Act, 2003 vide Regulation No. HERC/55/2021 dated 23.12.2021. A detailed Order was passed by the Hon'ble Commission in Case No. HERC/PRO 67 of 2020 in the matter of finalizing Regulations for Charging Infrastructure, Tariff and other regulatory issues for Electric Vehicles. In the said matter, the consumers made a request that for the E-Vehicle Charging Station, LT Connection may be provided instead of HT connection for the reason that for HT connection a separate/dedicated transformer is required which in turn adds to the cost of installation of the Charging Station. The request was made so as to reduce the cost of installation. It has been averred that the Hon'ble Commission did not accede to the said request of the consumers considering that the same may disrupt HT/LT ratio but held that additional expenses i.e. cost of transformer etc. shall be borne from the CSR fund of the Discoms to keep the cost of infrastructure to be recovered from EVs as low as possible. Accordingly, Clause 17(f) was incorporated in the EV Regulations, 2021, which is reproduced below:

"(f) In case of HT Connection for E-Vehicle Charging Station(s) for load more than 50 kW, the cost of separate/dedicated transformer along with allied equipment shall be borne out of CSR fund of Discoms to rein in cost of installation(s)."

A copy of the EV Regulations, 2021 and order dated 20.12.2021 referred above is attached herewith marked as Annexure P-1 and Annexure P-2 respectively.

- iv) That the Petitioner i.e. UHBVN is entrusted with the responsibility of distribution and retail supply of power within their jurisdiction consisting of districts of Panchkula, Ambala, Yamunanagar, Kurukshetra, Kaithal, Karnal, Panipat, Sonapat, Rohtak and Jhajjar in the State of Haryana. The Hon'ble Governor of Haryana on 01.07.1999, in exercise of its power under Section 55 read with Sections 23, 24, and 25 of the Haryana Electricity Reform Act, 1997 vide second transfer scheme issued the rules for the purpose of providing and giving effect to the transfer of distribution undertakings of Haryana Vidyut Prasaran Nigam Limited ('HVPNL') to Dakshin Haryana Bijli Vitran Nigam Limited (for brevity 'DHBVNL') and Uttar Haryana Bijli Vitran Nigam Limited (for brevity 'UHBVNL').
- v) That the State Transport Department, Govt. of Haryana ('Transport Department') vide letter no. 3452/SPA-1/Tech. dated 11.09.2023 (Annexure P-3) requested the Petitioner for the installation of 2 nos. High-Tension Electric Supply Connections of 11KV output for Electric Bus Depots at 7 different cities in the State of Haryana. The issue of setting up Charging Infrastructure and tariff for HT supply for Electric Vehicles Charging Depots is governed under the EV Regulations, 2021 which is the subject matter of the present Petition.
- vi) That the connection required by the Transport Department for the Electric Vehicles Charging Station is upto 9 MVA and for that, a Power Transformer of 10 MVA is required to be installed within the Charging Station. It is to be noted that as per the item-wise cost issued by the Petitioner vide Memo No. Ch-62/G-112/Vol-V/DD-II dated 15.11.2023 (Annexure P-4), the cost of 10MVA three-phase Power Transformer with all accessories/fittings is about Rs. 68,08,472/- (Sixty-eight lakh eight thousand four hundred and seventy-two). As per the requirement of the Transport Department, Charging Stations are being set up in 7 cities, meaning thereby, 7 10MVA Power Transformers will be required and the cost for the same works out to Rs. 4.77 Crores. As per the information received from the Accounts Office of the Petitioner, an amount of Rs. 4.36 Crore has been assigned as CSR fund for discharging CSR obligations for the FY 2023-24.
- vii) That as per the Corporate Social Responsibility (CSR) Policy of the Petitioner-UHBVN, the primary objective of CSR activities is to undertake projects for sustainable development with focus on the fulfilment of power and energy needs of the society. It is apposite to mention here that there are certain other CSR activities

that are essential and significant to be undertaken by the Petitioner and therefore, expending the entire CSR fund for setting of HT supply infrastructure for Electric Vehicle Charging station is not only unfeasible but shall also affect the other significant planned CSR activities i.e. establishment of libraries, establishment of sports complexes, distribution of health items to specially abled children, providing computers to women/orphans etc. which are required to be undertaken by the Petitioner. Therefore, expending of entire CSR fund on the electrical infrastructure for EV charging stations is unfeasible and also not in the larger interest of the State.

viii) In light of the foregoing facts, it has been submitted that the compliance of Regulation 17 (f) of EV Regulations, 2021 has become unfeasible for the Petitioner for following reasons: –

a. DISCOMs do not generally procure transformers for voltage ratio of 33kV/433-250 volt and therefore, procurement of a high rating and high-capacity transformers suited for the EV Charging station is not a regular procurement for the Discoms. For procuring transformers to meet the requirement of prospective individual applicants for various applied load, the Discoms will have to float tenders and invite bids which shall entail adequate time and resources. Making such customized and high-cost purchases for every such customer is not feasible for the Discoms. More so, a mandate for expending CSR funds on such purchases would mean that multiple special high-cost procurement will be required to be made by the Discoms which may entail huge time and resources.

b. The total cost of seven 10 MVA Power Transformers works out to be Rs. 4.77 Crore whereas the total CSR fund granted for the FY 2023-24 is Rs. 4.36 Crore, which is much less when compared with the cost of the 7 Power Transformers. An unspecified and unlimited procurement obligation for EV charging stations is not only unfeasible but shall also adversely affect the larger interests sought to be served through accomplishment of other CSR activities in the State.

ix) It has been further submitted for the kind consideration of the Hon'ble Commission that continuance of Regulation 17 (f) of EV Regulations, 2021 cannot be foreseen as practicable, inasmuch, the CSR fund of the Petitioner for each year vary in proportion to the profit. It is therefore, proposed that the Hon'ble Commission may consider not mandating the Discoms to expend CSR fund meant to undertake various other activities involving larger interest on supply of separate/dedicated

transformers and allied equipment for HT Connection for E-Vehicle Charging Station(s), contained in Regulation 17 (f) of EV Regulations.

- x) That it is also pertinent to mention that the EV charging stations are being provided concessional electricity tariff in the State of Haryana whereby no fixed/demand charges is being recovered. Reference in this regard is made to the Order of the Hon'ble Commission dated 15.02.2023, wherein it was observed as under: -

"The tariff for electricity supply to 'the EV Charging station in Haryana shall be a single part tariff equivalent to the CoS of HT Supply (i.e. Rs.6.22) and LT Supply (i.e. Rs.6.62), as determined in the present order. The off peak / night time concession benefits shall also be applicable. There shall be no fixed / demand charges."

Thus, the Petitioner is open to all measures to encourage setting up of EV charging Station. However, the practical difficulty elucidated above in complying with Regulation 17(f) of the EV Regulations, 2021 is genuine and affects the larger public interest thereby making it a fit case for relaxation/amendment in the EV Regulations, 2021.

- xi) That without prejudice to the foregoing, it is submitted in the alternative that in the event the Hon'ble Commission considers that Discoms may contribute towards supply of separate/dedicated transformers and allied equipment for HT Connection for E-Vehicle Charging Station(s), the Hon'ble Commission may consider specifying ceiling for the amount to be expended in the supply of up to 100 KVA capacity transformers only which are regularly procured by the Discoms for providing HT connection for E-vehicle Charging Stations under the CSR fund of Discoms. Provided that approved amount shall be provided to the beneficiary on the basis of first –cum- first serve .
- xii) That the actual impact of compliance of Regulation 17(f) of the EV Regulations, 2021 could only be ascertained after request of the Transport Department, Govt. of Haryana indicating the requirement of HT power supply for EV Charging Stations. Accordingly, the cause of action for preferring the instant petition has arisen pursuant to ascertaining the demand of Transport Department, Haryana, which could not have been gauged earlier at the time of notification of EV Regulations, 2021.
- xiii) It is foreseen, that besides these connections, a large number of EV charging connections are expected to be applied in the NCR region, as per the recent meeting held between NCRPB and DISCOMs catering the area of NCR.

xiv) That further the HERC (Conduct of Business) Regulations, 2019 confers wide power to this Hon'ble Commission to pass such orders/ make amendment/ relax regulations as are necessary to meet the ends of justice. The Hon'ble Commission has the power to dispense with the requirements of any of the Regulations in a specific case.

xv) In the abovementioned circumstances, the Petitioner has preferred the present Petition seeking amendment/relaxation of Regulation 17(f) of the EV Regulations, 2021. EV Regulations, 2021 are in the form of delegated legislation, which have been notified by the Hon'ble Commission under Section 181 of the Electricity Act, 2003. The Hon'ble Commission as the delegatee has the power to amend/ relax the EV Regulations, 2021 from time to time. Reliance in this regard is placed upon Regulations 19, 20, 21 and 22 of HERC (Terms and Conditions for setting up charging infrastructure, tariff and other regulatory issues for Electric Vehicles), Regulations, 2021, which are reproduced hereunder for ready reference -

“19. Power to Relax. – The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected may suo moto relax any of the provisions of these regulations or on an application made before it by an interested person.

20. Issue of orders or directions. – Subject to the provisions of the Act and these regulations, the Commission may, from time to time, issue orders and procedural directions with regard to the implementation of these regulations and specify the procedure to be followed on various matters, which the Commission has been empowered by the regulations to direct and matters incidental thereto.

21. Power to amend. – The Commission may, at any time, add, vary, modify or amend any of the provisions of these regulations.

22. Power to remove difficulties. – If any difficulty arises in giving effect to any of the provisions of these regulations, the Commission may, by general or special order, make such provisions, which in the opinion of the Commission are necessary or expedient to do so.”

xvi) That the present Petition is within the jurisdiction of the Hon'ble Commission.

xvii) That the Petitioner has paid the requisite fee as per Haryana Electricity Regulatory Commission (Fee) Regulations, 2005, 7th Amendment Regulations, 2022

PRAYER –

In view of the foregoing submissions, it is most humbly submitted that the Hon'ble Commission may be pleased to:

- a. Initiate proceedings for amendment of Clause 17(f) of the EV Regulations, 2021 to the extent as represented in the above petition, exempting the Petitioner from expending CSR fund for supply of separate/dedicated transformers and allied equipment for HT Connection for E-Vehicle Charging Station(s);
- b. In the alternative, relax the implementation of Clause 17(f) of the EV Regulations, 2021 *qua* the Petitioner;
- c. In the alternative, initiate proceedings for amendment/relaxation of Clause 17(f) of the EV Regulations, 2021 by specifying the percentage ceiling on the amount to be expended in the supply of upto 100 KVA capacity transformers for providing HT connection for E-vehicle Charging Stations out of CSR fund of Discoms; and/or
- d. Pass any such further order(s) that this Hon'ble Commission as may deem fit and necessary in the facts and circumstances of the case.

Commission's Order:

3. The petition filed by UHBVNL was taken-up for hearing on 27.03.2024, as scheduled, in the court room of the Commission.
4. Upon hearing the submissions of the petitioner i.e. UHBVNL (the distribution licensee), the Commission observes that the present petition was filed prior to passing of the ARR/Tariff order of UHBVNL and DHBVNL dated 05.03.2024. In the said order, the Commission clarified at length as under: -

"The Commission has carefully perused the submissions of the counsel appearing for the oil marketing companies. It needs to be appreciated that LT:HT ratio has to be moved towards HT supply so as to ensure that quality in terms of voltage and frequency is taken care of and technical loss is reined in. Hence, extending LT supply upto 200 KW will set the initiatives taken by the Commission, regarding this, back in time.

The Commission in consideration of the fact that due to plethora of benefits, EVs and EV charging stations are to be encouraged. Consequently, the Commission has allowed concessional tariff with no fixed cost as well as extended ToD Tariff benefits to them. Moreover, to cushion the cost, the Commission has made provision specifically for the EV charging stations that the cost of HT transformers and

associated equipment shall be borne by the power utilities up to a load of 200 kW as the request of BEE and HAREDA. Additionally, the safety aspects can be addressed by installing combined CT / PT unit for metering at H Pole on one corner of the EV Charging Station along with transformer on H Pole & taking LT supply inside the charging station as practically this would tantamount to giving supply on LT. No additional cost is borne by the EV Charging Stations up to a load of 200 kW. Hence, the Commission has already adequately addressed the concerns of Oil Marketing Companies.”

5. A plain reading of the aforesaid order issued by the Commission drives home the fact that there is a need to rein in the cost of charging of the EVs in order to ensure its proliferation in the larger interest of the society. Additionally, the Commission also addressed the safety concerns raised in the matter.
6. The Commission further observes that the petitioner has prayed in alternative i.e. either to amend the impugned clause of the Regulation or cap the expenditure from CSR fund on providing for transformers upto 100 KVA for HT connections in the present matter. As such, other than inadequacy of CSR funds, there are no strong arguments, that were not in the knowledge of this Commission, that may call for relaxing or amending the Regulations at this stage. However, having so observed, the Commission has taken note of the averments of the petitioner on the insufficiency of Corporate Social Responsibility (CSR) Fund for installation of HT transformers of unspecified numbers as there might be a spike in setting up for EV Charging Station. Additionally, it is observed that the dispensation flows from Regulations notified by the Commission as also pointed out by the Petitioner. Hence, the Commission will appropriately amend the Regulation to the extent required after following the due process including prior publication.
7. In terms of the above, the petition is disposed off.
Accordingly, ordered.

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 27.03.2024.

Date: 27.03.2024
Place: Panchkula

(Mukesh Garg)
Member

(Naresh Sardana)
Member

(Nand Lal Sharma)
Chairman