



**COMMISSION'S ORDER IN**

**HERC / Petition No. 94 of 2025  
&  
HERC / Petition No. 95 of 2025**

**IN THE MATTER OF**

**True-up of FY 2024-25, Mid-Year Performance Review for FY 2025-  
26 and Aggregate Revenue Requirement of FY 2026-27  
UHBVNL and DHBVNL**

**25.03.2026**

**HARYANA ELECTRICITY REGULATORY COMMISSION  
BAYS 33-36, SECTOR-4, PANCHKULA-134112, HARYANA  
<https://herc.gov.in>**

**IN THE MATTER OF**

**Petition regarding True-up of FY 2024-25, Mid-Year Performance Review for FY 2025-26 and Aggregate Revenue Requirement of FY 2026-27 under HERC (Terms and Conditions for determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) Regulations 2024.**

**Petitioner(s)**

Uttar Haryana Bijli Vitran Nigam Limited (UHBVNL)

Dakshin Haryana Bijli Vitran Nigam Limited (DHBVNL)

**Present on behalf of the Petitioner (UHBVNL)**

1. Sh. Mani Ram Sharma, IAS, MD, UHBVNL
2. Sh. Anurag Nanchahal, CFO, UHBVNL
3. Sh. Randeep Singh, CE/HPPC, UHBVNL
4. Sh. Chandan Singh, CE/Operation UHBVNL
5. Sh. Sandeep Jain, CE UHBVNL
6. Er. Vinod, XEN/UHBVNL/RA
7. Er. Puneet Kumar, SE/UHBVNL/RA
8. Sh. Joginder, Sr. AO UHBVNL
9. Sh. Anil Kumar, AO UHBVNL
10. Sh. Vineet Parashar, Consultant UHBVNL

**Present on behalf of the Petitioner (DHBVNL)**

1. Sh. Vikram Singh, IAS, MD, DHBVNL
2. Smt. Sushila Kumari, CFO, DHBVNL
3. Sh. Anil Kumar Sharma, CE/Comml, DHBVNL
4. Sh. Rattan Verma, Dir/Fin DHBVNL
5. Sh. Sankalp Parihar, SE/RA DHBVNL
6. Sh. S.S.Rai, SE/MM DHBVNL
7. Sh. Sandeep Legha, Sr. AO DHBVNL
8. Sh. Pawan Kumar, Sr. AO DHBVNL
9. Sh. Sumit Kumar, JSE
10. Sh. Lovepreet Singh, Advocate
11. Sh. Shubham Tripathi, Sr. Consultant, DH
12. Sh. Hritik Rawat, Sr. Consultant DH

**Present on behalf of the Intervenors**

As per the list at Annexure C

**QUORUM**

**Shri Nand Lal Sharma**  
**Shri Mukesh Garg**  
**Shri Shiv Kumar**

**Chairman**  
**Member**  
**Member**

## ORDER

The Haryana Electricity Regulatory Commission (hereinafter referred to as 'the Commission' or HERC), in exercise of the powers vested in it under section 61, 62 and 86 of the Electricity Act, 2003 read with section 11 of the Haryana Electricity Reforms Act, 1997 and all other enabling provisions in this behalf, passes this Order determining the True-up of FY 2024-25, Mid-Year Performance Review for FY 2025-26 and Aggregate Revenue Requirement of FY 2026-27 of UHBVNL and DHBVNL for their Distribution and Retail Supply Business under MYT framework in accordance with the provisions of the Haryana Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) Regulations, in vogue.

The Commission, while passing order in the present case(s), has considered the Petition(s) filed by the Distribution Licensees viz. UHBVNL and DHBVNL along with the additional submissions made by Discoms and all other relevant material, including:-

1. Subsequent filings/additional data provided by them including filings made by the two distribution licensees in response to the various queries of the Commission.
2. Objections received from various organisations and individuals including the five public hearings held at Panchkula, Gurugram, Panipat, Hissar and Yamunanagar.
3. Reply/comments furnished by UHBVNL and DHBVNL on the objections filed.
4. State Advisory Committee (SAC) meeting held on 22.01.2026.
5. Relevant data / facts / policies available in the Commission and in public domain.

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## **Chapter 1**

### **INTRODUCTION**

#### **1.1. Brief Background**

UHBVNL and DHBVNL are Distribution Licensees within the meaning of Section 2 (17) of Electricity Act 2003 and pursuant to the Section 14 of the Electricity Act. Further, Section 42 and 43 of the Electricity Act 2003 prescribes the following duties of the Distribution Licensee:

- To develop and maintain an efficient, coordinated and economical distribution system;
- To supply electricity on an application of the consumer in accordance with the provisions specified in the Electricity Act 2003;
- To provide non-discriminatory open access to the consumers;
- To establish a forum for redressal of grievances of the consumers;

Since UHBVN and DHBVNL has been vested with the function of distributing power by the State Government of Haryana, the Business Scope of discoms falls within the legal framework as specified in the Act and includes:

- To operate the existing distribution infrastructure efficiently & effectively;
- Merchant Sale of Power in the event of availability of surplus power after meeting the requirement of own consumers with whom the capacity is contracted presently;
- Other associated businesses like providing Training, Research and Development activities, technical consultancy services and O&M related services;
- Contracts for outsourcing of distribution related activities, joint venture participation;

The distribution licensees (Discoms) responsible for distribution and retail supply of electricity to the consumers in Haryana are Uttar Haryana Bijli Vitran Nigam (UHBVNL) and Dakshin Haryana Bijli Vitran Nigam (DHBVNL). The distribution and retail supply tariff determined by the Commission in the Northern circles of Haryana i.e., licensed area of UHBVNL and Southern circles of Haryana i.e., the licensed area DHBVNL are the same. Hence, the Commission has considered it appropriate to dispose of their respective petition(s) for approval of True-up of FY 2024-25, Mid-Year Performance Review for FY 2025-26 and Aggregate Revenue Requirement of FY 2026-27 vide the present common order.



## 1.2. Regulatory Framework

That the two distribution licensees (Discoms) in Haryana i.e. Uttar Haryana Bijli Vitran Nigam (UHBVNL) and Dakshin Haryana Bijli Vitran Nigam (DHBVNL) have filed their respective petition(s) under the provisions of the Electricity Act, 2003 and the MYT Regulations, 2019 (for the true-up of FY 2024-25) and the MYT Regulations, 2024 for determination of ARR for the FY 2026-27 and Mid-Year Performance Review for FY 2025-26. The petition(s) filed by the Discoms is briefly set out below.

That the Hon'ble Commission notified MYT Regulations for First Control Period FY 2014-15 to FY 2016-17 as per HERC (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) Regulations, 2012 (hereafter HERC MYT Regulations, 2012) with subsequent amendments of extension of first MYT Period up to FY 2019-20.

On 31st October 2019, the Hon'ble Commission notified the MYT Regulation for Second Control Period starting from FY 2020-21 to FY 2024-25 as HERC (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) Regulations, 2019 (hereafter HERC MYT Regulations, 2019).

That on 22nd October, 2024, the Hon'ble Commission notified the MYT Regulation for Third Control Period starting from FY 2025-26 to FY 2029-30 as HERC (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) Regulations, 2024 (hereafter HERC MYT Regulations, 2024).

That the current petition for approval of True-Up for FY 2024-25 is made in accordance with the regulatory provisions of HERC MYT Regulations, 2019 and its subsequent amendments. However, filing of ARR Petition MYT for FY 2026-27 is made in accordance with provisions specified in the MYT Regulations, 2024. The relevant provisions for filling ARR Petition as per HERC MYT Regulations, 2024 are reproduced as under:

*"... 73 Tariff Filings*

*73.1 Tariff filing for the control period under MYT framework*

*73.1.1 The generating company and the licensees shall file an application for approval of ARR for their respective businesses for each year of the control period and tariff for the first year of the control period consistent with the business plan and the capital investment*

*plan approved by the Commission. The ARR and tariff filing shall be filed by 30th November of the year preceding the 1st year of the control period along with requisite in accordance with the provisions of Haryana Electricity Regulatory Commission ( ) Regulations amended from time to time. The application shall contain all the components of the ARR and tariff as provided in these Regulations;*

*The MYT filing shall also contain an application for mid-year performance review of and true – up petition.*

*73.1.2 The generation company and the licensees shall provide in the application forecast for each year of the control period of the various financial and operational parameters of ARR & various other components of the ARR and tariff relating to their respective businesses as mentioned in these Regulations. The application, in case of a distribution licensee and a transmission licensee shall also include:*

*(i) For distribution licensee*

- a) Sales / demand forecast for each consumer category and sub-categories for each year of the control period and the methodology and rationale used;*
- b) Power procurement plan based on the sales forecast and distribution loss trajectory for each year of the control period. The power procurement plan should also keep in view energy efficiency and demand side management measures;*
- c) A set of targets proposed for other controllable items such as collection efficiency, recovery of bad debts, working capital, quality of supply targets etc. The targets shall be consistent with the capital investment plan and business plan approved by the Commission;*
- d) Expected revenue from the licensed business, non-tariff income and income from other business for the base year and first year of the control period and other matters considered appropriate by the distribution licensee(s);*
- e) Number of consumers in each category, connected load in kW / kVA. Voltage wise estimates losses and cost of supply for various consumer categories per kW and per kWh /kVAh.*
- f) The ARR for different years of the control period, the revenue gap and tariff proposal for meeting the revenue gap for first year of the control period. The tariff proposal should be based on the cost of supply for various consumer categories and the cross-subsidy reduction road map.*

- g) Proposal for meeting the projected cumulative revenue gap for first year of the control period which shall include mechanism for meeting the proposed revenue gap, tariff revision for various consumer categories etc. In the absence of tariff proposal, the application/petition shall be considered as incomplete and shall be liable for rejection.*
- h) A statement of the effect of the proposed tariff changes on a typical small, average and large consumer in each tariff class. For this purpose, a typical small consumer is defined such that within the tariff class, 90% of the consumers supplied under that tariff within a 12 months period would have greater total expenditure on tariff charges than the small consumer. Similarly, a typical large consumer is defined such that 90% of the consumers supplied under the tariff would have lesser expenditure over a 12 months period than the typical large consumer. The average consumer shall be defined as a consumer having expenditure on tariff charges equal to the average expenditure in that tariff class.”*

### **1.3. Principles of True up for FY 2024-25**

That Regulation 11 and Regulation 13 of the HERC MYT Regulations, 2019, provides that the application of true-up of previous years shall be filed along with application of Mid-Year Performance Review and Tariff Setting. The application of truing up of ARR of the previous years shall be carried as per the provision of truing up specified in the current regulations and on the basis of the same principles as approved in the MYT Order on the original application submitted for determination of ARR and Tariff. The relevant excerpt of the MYT Regulation 2019 is provided as under:

#### **“MID-YEAR PERFORMANCE REVIEW AND TARIFF SETTING**

*11.1. The generating company and the licensee shall file an application for mid- year performance review, true-up of previous year and tariff for the ensuing year not less than 120 days before the close of each year of the control period, complete in all respects including the information in the existing formats as per present practice, till such time new formats are finalized by the Commission.*

...

*11.6 The Commission shall review/consider, during the control period, the application made under this Regulation as also the application for truing up of the ARR of the previous year, as per provision of the Regulation 13, on the same principles as approved in the MYT order on the original application for determination of ARR and tariff. Upon completion of such review/truing up, either approve the proposed modification with such changes as it deems appropriate, or reject the application for the reasons to be recorded in writing. The Commission shall afford opportunity of being heard to the affected party in case it considers rejecting the application.”*

***“13. TRUING-UP***

- 13.1*** *Truing-up of the ARR of the previous year shall be carried out along with mid-year performance review of each year of the control period only when the audited accounts in respect of the year(s) under consideration is submitted along with the application. In case audited accounts pertaining to the year, of which truing-up is to be undertaken, are not available, the generating company or the licensee as the case may be, shall submit the provisional account duly approved by the Board of Directors of the company/licensee.*
- 13.2*** *Truing-up of ‘uncontrollable’ items shall be carried out at the end of each year of the control period through tariff resetting for the ensuing year and for controllable items shall be done only on account of force majeure conditions and for variations attributable to uncontrollable factors.*
- 13.3*** *The Commission shall allow carrying costs for the trued-up amount (positive or negative) at the interest rates specified in these Regulations by adjusting the interest allowed on the working capital requirement for the relevant year of the control period.*  
*Upon completion of the mid-year performance review and truing up in accordance with these regulations, the Commission shall pass an order recording:*  
*(a) The revised ARR for such financial year including approved modifications, if any;*  
*(b) Holding cost for under/over recovered amount from the close of the relevant year and upto the middle of the ensuing year of the control period whereupon the trued-up amount has been adjusted by appropriate resetting of tariff in accordance with regulation 13.4, calculated as additional borrowing for working capital for that period.*  
*Provided that no carrying cost shall be allowed on account of delay in filing for true-up due to unavailability of the audited accounts.*
- 13.4*** *Over or under recoveries of trued-up amount in previous year(s) of the control period shall be allowed to be adjusted in the ensuing year of the control period by appropriate resetting of tariff. The unrecovered amount in the one control period shall be adjusted in the subsequent control period.”*

That in line with the provision laid under HERC MYT Regulations, 2019, the Hon'ble Commission has published the Tariff Order on Aggregate Revenue Requirement (ARR) & Retail Supply Tariff for FY 2024-25 on 05.03.2024. The Review Order on the same was subsequently issued on 02.09.2024.

That the provisions of Regulation 13 of the HERC MYT Regulations, 2024, specified above, mandate for the submission of audited accounts for truing up of ARR for previous financial year. Truing up of ARR for FY 2024-25 has been worked out considering the actual expenditures of UHBVNL and DHBVNL as per the audited annual accounts of FY 2024-25.

#### 1.4. True up of FY 2024-25 (UHBVNL & DHBVNL)

That Discoms have submitted the summary of expenses approved by the Commission vis-à-vis the actual expenses for the FY 2024-25, which is briefed as under:

##### UHBVNL

UHBVNL has sought true-up for the FY 2024-25 amounting to Rs. 1766.56 Crore, with major cost impacting the true up being Power purchase cost (impact of Rs 1416 crore), interest and finance charges (impact of Rs 305.73 crore) and non-tariff income being reduced by Rs 94.77 crore, tabulated as under:-

| Sr. No | Particulars                                      | Rs. Crore                    |                    |                  |
|--------|--------------------------------------------------|------------------------------|--------------------|------------------|
|        |                                                  | Approved in TO dt 05.03.2024 | Actual for True Up | True up proposed |
| 1      | Total Power Purchase Expense                     | 15,718.54                    | 17,135.17          | 1,416.63         |
| 1.1    | Power Purchase Expense                           | 13,826.58                    | 15,084.23          | 1,257.65         |
| 1.2    | Interstate transmission Charges                  | 957.72                       | 1,083.48           | 125.76           |
| 1.3    | Intrastate transmission charges and SLDC charges | 934.24                       | 913.71             | -20.53           |
| 1.4    | Impact of sharing of gains for distribution loss | -                            | 53.75              | 53.75            |
| 2      | Operations and Maintenance Expenses              | 1,998.21                     | 2,012.33           | 14.12            |
| 2.1    | Employee Expense                                 | 1,232.71                     | 1,095.66           | -137.05          |
| 2.2    | Administration & General Expense                 | 128.89                       | 228.88             | 99.99            |
| 2.3    | Repair & Maintenance Expense                     | 187.05                       | 171.67             | -15.38           |
| 2.4    | Terminal Liability                               | 450.00                       | 490.11             | 40.11            |
| 2.5    | Impact of sharing of gains for O&M expenses      | -                            | 26.00              | 26.00            |
| 3      | Depreciation                                     | 415.97                       | 351.63             | -64.34           |
| 4      | Interest & Finance Charges                       | 444.92                       | 750.65             | 305.73           |
| 4.1    | Interest on CAPEX loans                          | 201.95                       | 287.65             | 85.70            |
| 4.2    | Interest on WC loans including CC/OD limits      | 126.51                       | 379.71             | 253.20           |
| 4.3    | Interest Cost on Consumer Security Deposit       | 125.18                       | 115.19             | -9.99            |
| 4.4    | HVPNL Bonds                                      | -                            | 8.09               | 8.09             |
| 4.5    | Guarantee Fees / Interest on other Bonds         | 34.90                        | 37.60              | 2.70             |
| 4.6    | Less: Interest Capitalized                       | 43.62                        | 77.59              | 33.97            |
| 5      | Return on Equity                                 | 321.69                       | 295.07             | -26.62           |
| 6      | Other Expenses                                   | -                            | 26.27              | 26.27            |
| 7      | Total Expenditure                                | 18,899.33                    | 20,571.12          | 1,671.79         |
| 8      | Less: Non-Tariff Income                          | 278.43                       | 183.66             | -94.77           |
| 9      | Net Aggregate Revenue Requirement                | 18,620.90                    | 20,387.46          | 1,766.56         |

##### DHBVNL

DHBVNL has sought true-up for the FY 2024-25 amounting to Rs. 2,364.94 Crore, with major cost impacting the true up being Power purchase cost (impact of Rs 2085.99 crore), interest and finance charges (impact of Rs 412.70 crore) and other expenses (impact of Rs 30.00 crore), tabulated as under:-

Rs. Crore

| S. No.   | Particulars                                                | Approved (A)     | Actual (B)       | True up proposed |
|----------|------------------------------------------------------------|------------------|------------------|------------------|
| <b>1</b> | <b>Total Power purchase cost</b>                           | <b>22,254.16</b> | <b>24,340.15</b> | 2,085.99         |
| 1.1      | Power Purchase Expenses                                    | 19,786.69        | 21,854.96        | 2,068.27         |
| 1.2      | Interstate transmission charges                            | 1,382.07         | 1,406.63         | 24.56            |
| 1.3      | Intrastate transmission charges and SLDC charges           | 1,085.40         | 1,078.57         | -6.83            |
| <b>2</b> | <b>Operations and Maintenance Expenses</b>                 | <b>2,426.17</b>  | <b>2,318.76</b>  | -107.41          |
| 2.1      | Employee Expense (Net of Capitalization)                   | 1,313.09         | 1,232.64         | -80.45           |
| 2.2      | Administration & General Expense (Net of Capitalization)   | 166.49           | 196.41           | 29.92            |
| 2.3      | Repair & Maintenance Expense                               | 248.82           | 221.56           | -27.26           |
| 2.4      | Terminal Liability                                         | 697.77           | 629.26           | -68.51           |
| 2.5      | Sharing of Gain/losses in O&M Expenses                     | 0                | 38.9             | 38.90            |
| <b>3</b> | <b>Depreciation</b>                                        | <b>416.53</b>    | <b>385.56</b>    | -30.97           |
| <b>4</b> | <b>Total Interest &amp; Finance Charges</b>                | <b>562.23</b>    | <b>974.93</b>    | 412.70           |
| 4.1      | Interest on Long Term Loans                                | 161.96           | 150.49           | -11.47           |
| 4.2      | Interest on Working Capitals                               | 126.49           | 637.45           | 510.96           |
| 4.3      | Interest on Security Deposit                               | 198.77           | 116.7            | -82.07           |
| 4.4      | Other Interest & Finance Charges                           | 25.01            | 12.49            | -12.52           |
| 4.5      | Guarantee Fee                                              | 50               | 57.8             | 7.80             |
| <b>5</b> | <b>Return on Equity Capital</b>                            | <b>291.89</b>    | <b>264.55</b>    | -27.34           |
| <b>6</b> | <b>Other Expenses (Debits &amp; Prior period Expenses)</b> | <b>0</b>         | <b>30.17</b>     | 30.17            |
| <b>7</b> | <b>Total Expenditure</b>                                   | <b>25,950.98</b> | <b>28,314.13</b> | 2,363.15         |
| 8        | Less: Non-Tariff Income                                    | 308.61           | 306.82           | -1.79            |
| <b>9</b> | <b>Net Aggregate Revenue Requirement</b>                   | <b>25,642.37</b> | <b>28,007.31</b> | 2,364.94         |

## Subsidy

That Regulation 68 of the HERC MYT Regulations, 2019, provides the provisions for subsidy. It stipulates that if the State Govt. requires to pay subsidy in the electricity tariff determined under Section 62 to any consumer or class of consumers under Section 65 and Section 108 of the Electricity Act 2003, the amount of subsidy determined by the Hon'ble Commission shall be paid in advance. The extract of the relevant section is reproduced as under:

### "68. SUBSIDY

68.1 Pursuant to Section 65 of the Electricity Act, 2003 in case the State Government requires grant of any subsidy to any consumer or class of consumers in the tariff determined under Section 62, the distribution licensee should ensure that the State Government shall, notwithstanding any direction which may be given under Section 108,

*pay in advance the requisite amount as determined by the Commission to compensate the distribution licensee affected by the grant of subsidy.”*

Accordingly, the discoms have booked the subsidy on the receipt basis as per Audited Accounts for FY 2024-25.

The energy sales for agriculture category has increased in actual as per the audited accounts for FY 2024-25 as compared to the energy sales approved in the Tariff Order dated 05.03.2024. The revision of agriculture subsidy on account of revision in energy sales is shown in the table below:

**Increase in AP Subsidy for FY 2024-25 (Rs. Crore)**

| S. No. | Particulars                                                         | Unit          | Amount          |
|--------|---------------------------------------------------------------------|---------------|-----------------|
| 1      | RE Subsidy allowed in TO dated 05.03.2024                           | Rs Crs        | 5,941.17        |
| 2      | Approved AP Sales in TO dated 05.03.2024                            | MU            | 9,325.21        |
| 3      | Approved Per unit Subsidy                                           | Rs/kWh        | 6.48            |
| 4      | Normative Agriculture Sales of UHBVNL                               | MU            | 4,065.27        |
| 5      | Normative Agriculture Sales of DHBVNL                               | MU            | 5,560.57        |
| 6      | <b>Normative Agriculture Sales</b>                                  | <b>MU</b>     | <b>9,625.85</b> |
| 7      | Eligibility of subsidy based on actual sales of 2024-25 ((1/2)*(6)) | Rs. Crs       | 6,131.67        |
| 8      | <b>Subsidy Outstanding/(Surplus)</b>                                | <b>Rs Crs</b> | <b>190.50</b>   |

The details of subsidy receipt from the State Govt. of Haryana for FY 2024-25 are summarized as follows:

**UHBVNL Subsidy receipt from the Govt. of Haryana for FY 2024-25 (Rs Crores)**

| Sr. No. | Particulars                                     | Amount          |
|---------|-------------------------------------------------|-----------------|
| 1       | Subsidy for Agriculture Category                | 2,589.40        |
| 2       | Subsidy for Domestic Category & Other consumers | 161.03          |
| 3       | <b>Total Subsidy Receipt</b>                    | <b>2,750.43</b> |

**DHBVNL Subsidy receipt from the Govt. of Haryana for FY 2024-25 (Rs Crores)**

| S. No. | Particulars                                 | Actual          |
|--------|---------------------------------------------|-----------------|
| 1      | Subsidy for Agriculture Category            | 3,542.27        |
| 2      | Subsidy for Other than Agriculture Category | 227.14          |
| 4      | <b>Total Subsidy Receipts</b>               | <b>3,769.41</b> |

That the discoms requested the Hon’ble Commission that keeping the above appropriate direction in pursuance to Section 65 may be issued to meet the unpaid subsidy for FY 2024-25 in the ARR of the ensuing year FY 2026-27.

That the Revenue Surplus/(Gap) for FY 2024-25 was approved on combined basis for both the DISCOMs (UHBVNL and DHBVNL) in Tariff Order dated 05.03.2024. Accordingly, the Revenue Surplus/(Gap) for True Up of ARR for FY 2024-25 has been submitted at Haryana level. The details of calculation of Revenue Surplus/(Gap) for truing up of ARR for FY 2024-25 is submitted in the table as follows:

| Rs. Crore |                                                   |                   |                   |                   |                   |
|-----------|---------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Sr. No.   | Particulars                                       | Approved          | Proposed UHBVN    | Proposed DHBVN    | Proposed Haryana  |
| 1         | <b>Aggregate Revenue Requirement</b>              | <b>44,263.27</b>  | <b>20,387.46</b>  | <b>28,007.31</b>  | <b>48,394.77</b>  |
| 2         | <b>Income (inc. subsidy)</b>                      | <b>41,018.06</b>  | <b>17,891.84</b>  | <b>24,745.47</b>  | <b>42,637.31</b>  |
| 2.1       | Sale of Power                                     | 35076.89          | 13,333.61         | 18,302.32         | 31,635.94         |
| 2.2       | Interstate Sales                                  |                   | 1,117.82          | 1,682.48          | 2,800.30          |
| 2.3       | FSA                                               |                   | 689.98            | 991.26            | 1,681.24          |
| 2.3       | <b>Subsidy</b>                                    | <b>5,941.17</b>   | <b>2,750.43</b>   | <b>3,769.41</b>   | <b>6,519.83</b>   |
| a)        | - AP Subsidy                                      | 5941.17           | 2,589.40          | 3,542.27          | 6,131.67          |
| b)        | - Domestic subsidy                                |                   | 106.86            | 227.14            | 388.16            |
| c)        | -Industry (C&D)                                   |                   | 51.74             |                   |                   |
| d)        | -Other consumers                                  |                   | 2.43              |                   |                   |
| 3         | <b>Revenue Surplus/(Gap) (2-1)</b>                | <b>(3,245.21)</b> | <b>(2,495.62)</b> | <b>(3,261.84)</b> | <b>(5,757.46)</b> |
| 4         | Add: Impact of variation in capitalization        | -                 | -                 | 16.61             | 16.61             |
| 5         | <b>Net Revenue Surplus/(Gap)</b>                  | <b>(3,245.21)</b> | <b>(2,495.62)</b> | <b>(3,278.45)</b> | <b>(5,774.07)</b> |
| 6         | Revenue Surplus/(Gap) for FY 2022-23*             | (212.46)          |                   |                   | (212.46)          |
| 7         | Holding cost for 1.5 years @ 8.5% for 2022-23     | (27.09)           |                   |                   | (27.09)           |
| 8         | <b>Revenue Surplus/(Gap) with impact of FY 23</b> | <b>(3,484.76)</b> |                   |                   | <b>(6,013.62)</b> |
| 9         | Revenue Surplus/(Gap) for FY 2023-34              | -                 |                   |                   | 721.72            |
| 10        | Holding cost for 0.5 years @ 8.5% for 2023-24     |                   |                   |                   | 30.67             |
| 11        | <b>Revenue Surplus/(Gap) to be carry forward</b>  | <b>(3,484.76)</b> |                   |                   | <b>(5,261.23)</b> |

That the Revenue Surplus of Rs. 721.72 Cr. of FY 2023-24 has been adjusted to arrive at the final Revenue (Gap) of FY 2024-25, as there is small standalone Gap in FY 2025-26. So, the Surplus of FY 2023-24 has been adjusted to minimize the net Gap in FY 2024-25 which will ultimately reduce burden on consumers through reduction in the ARR of FY 2026-27.

That the discoms requested to the Hon'ble Commission that the Revenue Surplus/(Gap) for FY 2024-25 as shown in the table above may be allowed to be carry forward and consider in the ARR of FY 2026-27.

#### 1.5. Annual Performance Review for FY 2025-26 (APR UHBVNL & DHBVNL)

That the Discoms have submitted following revised estimates for the FY 2025-26, based on the audited accounts of the FY 2024-25:-



**UHBVNL - Aggregate Revenue Requirement for FY 2025-26 (Rs Crore)**

| Sr. No.   | Particulars                                      | Approved T.O dated. 28.03.2025 | Projected        |
|-----------|--------------------------------------------------|--------------------------------|------------------|
| <b>1</b>  | <b>Total Power Purchase Expense</b>              | <b>16,221.58</b>               | <b>16,828.24</b> |
| 1.1       | Power Purchase Expense                           | 14,207.71                      | 14,775.71        |
| 1.2       | Interstate transmission Charges                  | 890.21                         | 1,115.99         |
| 1.3       | Intrastate transmission charges and SLDC charges | 1,123.66                       | 936.55           |
| <b>2</b>  | <b>Operations and Maintenance Expenses</b>       | <b>1,835.84</b>                | <b>2,069.03</b>  |
| 2.1       | Employee Expense                                 | 972.78                         | 1,148.74         |
| 2.2       | Administration & General Expense                 | 219.14                         | 232.36           |
| 2.3       | Repair & Maintenance Expense                     | 193.91                         | 197.82           |
| 2.4       | Terminal Liability                               | 450                            | 490.11           |
| <b>3</b>  | <b>Depreciation</b>                              | <b>494.96</b>                  | <b>521.87</b>    |
| <b>4</b>  | <b>Interest &amp; Finance Charges</b>            | <b>580.31</b>                  | <b>589.59</b>    |
| 4.1       | Interest on CAPEX loans                          | 265.15                         | 258.11           |
| 4.2       | Interest on WC loans including CC/OD limits      | 145.54                         | 141.39           |
| 4.3       | Interest Cost on Consumer Security Deposit       | 142.92                         | 163.39           |
| 4.4       | Other Interest and Finance Charges               | 26.70                          | 26.70            |
| <b>5</b>  | <b>Return on Equity</b>                          | <b>331.14</b>                  | <b>372.15</b>    |
| 6         | Other Expenses                                   | -                              | -                |
| 7         | Bad and Doubtful debts                           | -                              | 83.50            |
| <b>8</b>  | <b>Aggregate Revenue Requirement</b>             | <b>19,463.83</b>               | <b>20,464.38</b> |
| 9         | Less: Non-Tariff Income                          | 125.02                         | 183.66           |
| <b>10</b> | <b>Net Aggregate Revenue Requirement</b>         | <b>19,338.81</b>               | <b>20,280.72</b> |

**DHBVNL Aggregate Revenue Requirement for FY 2025-26 (Rs. Crore)**

| Sr. No.  | Particulars                                 | Approved T.O dated. 28.03.2025 | Projected        |
|----------|---------------------------------------------|--------------------------------|------------------|
| <b>1</b> | <b>Power Purchase Cost</b>                  | <b>22,403.88</b>               | <b>23,852.41</b> |
| 1.1      | Power Purchase Cost                         | 19,668.36                      | 21,298.05        |
| 1.2      | Transmission Charges (PGCIL)                | 1,410.09                       | 1,448.83         |
| 1.3      | Transmission Charges (HVPN + SLDC)          | 1,325.43                       | 1,105.53         |
| <b>2</b> | <b>Operation &amp; Maintenance Expenses</b> | <b>2,263.56</b>                | <b>2,429.17</b>  |
| 2.1      | Employee Expenses (net)                     | 1,072.80                       | 1,326.60         |
| 2.2      | Administration & General Expenses (net)     | 220.31                         | 210.30           |
| 2.3      | Repair & Maintenance Expenses               | 263.10                         | 263.01           |
| 2.4      | Terminal Benefits                           | 707.35                         | 629.26           |
| <b>3</b> | <b>Depreciation</b>                         | <b>604.38</b>                  | <b>602.44</b>    |
| <b>4</b> | <b>Interest &amp; Finance Charges</b>       | <b>632.42</b>                  | <b>1,110.91</b>  |
| 4.1      | Interest on Long Term Loan                  | 178.20                         | 168.25           |

| Sr. No. | Particulars                                      | Approved T.O dated. 28.03.2025 | Projected |
|---------|--------------------------------------------------|--------------------------------|-----------|
| 4.2     | Interest on Working Capital                      | 151.34                         | 650.42    |
| 4.4     | Interest on Consumer Security Deposit            | 231.88                         | 236.77    |
| 4.5     | Other Interest & Finance Charges                 | 71.50                          | 55.26     |
| 4.6     | Guarantee Fee                                    | -                              | 0.20      |
| 5       | Return on Equity Capital                         | 308.65                         | 284.48    |
| 6       | Prior period expenses & Other expenses           | -                              | -         |
| 7       | Bad & Doubtful Debts                             | -                              | 115.13    |
| 8       | Aggregate Revenue Requirement                    | 26,212.89                      | 28,394.53 |
| 9       | Less: Non-Tariff Income                          | 185.67                         | 306.82    |
| 10      | Aggregate Revenue Requirement from Retail Tariff | 26,027.22                      | 28,087.72 |

The distribution licensees have submitted that based on the estimates of the Aggregate Revenue Requirement of Haryana Discoms for the FY 2025-26 and proposed revenue for sale of power, details of the estimated revenue gap at the existing tariff(s) for the ARR year is as follows-

| Combined Revenue (Gap)/Surplus for ARR year (FY 2025-26) |                               |           |           | (Rs Crore) |
|----------------------------------------------------------|-------------------------------|-----------|-----------|------------|
| S. No                                                    | Particulars                   | UHBVN     | DHBVN     | Haryana    |
| 1                                                        | Aggregate Revenue Requirement | 20,280.72 | 28,087.72 | 48,368.43  |
| 2                                                        | Revenue for Discoms           | 20,157.06 | 28,112.78 | 48,269.84  |
| 2.1                                                      | Sale of Power                 | 16,700.03 | 22,910.27 | 39,610.30  |
| 2.2                                                      | Inter State Sales             | 959.06    | 1,382.42  | 2,341.48   |
| 2.3.1                                                    | Subsidy-AP                    | 2,497.97  | 3,820.10  | 6,318.06   |
| 4                                                        | Revenue Surplus/(Gap)         | (123.66)  | 25.07     | (98.59)    |

That UHBVNL and DHBVN prayed to the Hon'ble Commission to allow the revenue gap as proposed for FY 2025-26.

#### 1.6. Aggregate Revenue Requirement (ARR) for FY 2026-27

That UHBVNL has proposed Aggregate Revenue Requirement for FY 2026-27, tabulated as under: -

| Rs. Crore |                                                  |            |
|-----------|--------------------------------------------------|------------|
| Sr. No.   | Particulars                                      | FY 2026-27 |
| 1         | Total Power Purchase Expense                     | 17,887.88  |
| 1.1       | Power Purchase Expense                           | 15,778.45  |
| 1.2       | Interstate transmission Charges                  | 1,149.47   |
| 1.3       | Intrastate transmission charges and SLDC charges | 959.96     |
| 2         | Operations and Maintenance Expenses              | 2,147.59   |
| 2.1       | Employee Expense                                 | 1,204.01   |
| 2.2       | Administration & General Expense                 | 235.90     |

| Sr. No. | Particulars                                 | FY 2026-27 |
|---------|---------------------------------------------|------------|
| 2.3     | Repair & Maintenance Expense                | 217.57     |
| 2.4     | Terminal Liability                          | 490.11     |
| 3       | Depreciation                                | 581.34     |
| 4       | Interest & Finance Charges                  | 654.07     |
| 4.1     | Interest on CAPEX loans                     | 300.69     |
| 4.2     | Interest on WC loans including CC/OD limits | 129.13     |
| 4.3     | Interest Cost on Consumer Security Deposit  | 187.56     |
| 4.4     | Other Interest and Finance Charges          | 36.69      |
| 5       | Return on Equity                            | 413.71     |
| 6       | Other Expenses                              | -          |
| 7       | Bad and doubtful debts                      | 90.40      |
| 8       | Aggregate Revenue Requirement               | 21,774.99  |
| 9       | Less: Non-Tariff Income                     | 183.66     |
| 10      | Net Aggregate Revenue Requirement           | 21,591.33  |

That DHBVNL has proposed Aggregate Revenue Requirement for FY 2026-27, tabulated as under:-

| Rs. Crore |                                                |            |
|-----------|------------------------------------------------|------------|
| S. No.    | Particulars                                    | FY 2026-27 |
| 1         | Total Power Purchase Expense                   | 25,114.25  |
| 1.1       | Power Purchase Expense                         | 22,488.79  |
| 1.2       | Interstate Transmission Charges                | 1,492.29   |
| 1.3       | Intrastate Transmission Charges & SLDC Charges | 1,133.17   |
| 2         | Operation & Maintenance Expenses               | 2,490.45   |
| 2.1       | Employee Expense                               | 1,353.79   |
| 2.2       | Administrative & General Expense               | 213.50     |
| 2.3       | Repair & Maintenance Expense                   | 293.90     |
| 2.4       | Terminal Liability                             | 629.26     |
| 3         | Depreciation                                   | 697.49     |
| 4         | Interest and Finance Charges                   | 1,132.73   |
| 4.1       | Interest on CAPEX Loans                        | 195.63     |
| 4.2       | Interest on WC Loans                           | 614.51     |
| 4.3       | Interest Cost on Consumer Security Deposit     | 263.48     |
| 4.4       | Other Interest Cost                            | 0.60       |
| 4.5       | Guarantee Fee                                  | 58.51      |
| 5         | Return on Equity Capital                       | 311.84     |
| 6         | Provision for Bad & Doubtful Debts             | 125.43     |
| 7         | Total Expenditure                              | 29,872.19  |
| 8         | Less: Non-Tariff Income                        | 306.82     |
| 9         | Net Aggregate Revenue Requirement              | 29,565.37  |

That, in view of above, the discoms have jointly proposed revenue gap of Rs 4484.71 crore, taking into account the true up for FY 2024-25.

|                                                       | Rs. Crore        |                  |                   |
|-------------------------------------------------------|------------------|------------------|-------------------|
| <b>FY 2026-27</b>                                     | <b>UHBVN</b>     | <b>DHBVN</b>     | <b>Haryana</b>    |
| <b>ARR of DISCOMs (A)</b>                             | <b>21,591.33</b> | <b>29,565.37</b> | <b>51,156.71</b>  |
| <b>Total Income of DISCOMs (B)</b>                    | <b>22,146.69</b> | <b>30,615.18</b> | <b>52,761.87</b>  |
| Sale of Power                                         | 18,080.55        | 24,960.09        | 43,040.65         |
| Interstate Sales                                      | 1,033.64         | 1,473.23         | 2,506.87          |
| Subsidy                                               | 3,032.49         | 4,181.87         | 7,214.36          |
| <b>Net Revenue (Gap)/Surplus</b>                      | <b>555.35</b>    | <b>1,049.81</b>  | <b>1,605.16</b>   |
| Revenue Surplus/(Gap) for 2023-24                     |                  |                  | <b>(5,261.21)</b> |
| Holding Cost for 1.5 Years                            |                  |                  | <b>(828.64)</b>   |
| <b>Revenue Surplus/(Gap) at the end of FY 2025-26</b> |                  |                  | <b>(4,484.71)</b> |

Further, the Discoms have also raised following additional issues for consideration of the Commission: -

- i. Tariff for EV Charging Stations.
- ii. Tariff for Agro Industries/FPO
- iii. Clarification Regarding the Applicability of Fixed Charges on Domestic Net Meter Connections
- iv. Clarification Regarding Applicability Of 5% Rebate on Prepaid Meters

### 1.7. Prayer

In view of the above submissions, UHBVNL has made the following prayers : -

- To take on record and accept the Petition of UHBVN for approval of True up for FY 2024-25, Annual Performance Year for FY 2025-26 and Determination of Aggregate Revenue Requirement and Tariff for FY 2026-27;
- Allow the Capital Investment Plan and Distribution Loss Trajectory proposed for FY 2025-26 and FY 2026-27;
- Allow the Return on Equity as proposed for FY 2025-26 and FY 2026-27
- Allow the entire fixed charges of power purchase as the power is procured from the sources whose PPAs have been duly approved by the Hon'ble Commission and also the energy charges of power procurement from these sources as proposed in the filing;

- Allow revision of the current Petition and submission of the additional /supplementary submissions during the course of proceedings;
- Condone any inadvertent omissions/errors/shortcomings and permit the Petitioner to add/change/modify/alter filing and make further submissions as may be required during the course of these proceedings;
- To pass the Order as may be deem fit by the Hon'ble Commission, keeping in view the circumstances and facts submitted by the Petitioner.

In view of the above submissions, DHBVNL has made the following prayers : -

- To take on record and accept the Petition of DHBVN for approval of True up for FY 2024-25, Annual Performance Year for FY 2025-26 and Determination of Aggregate Revenue Requirement and Tariff for FY 2026-27;
- Allow the Capital Investment Plan and Distribution Loss Trajectory proposed for FY 2025-26 and FY 2026-27;
- Allow the Return on Equity as proposed for FY 2025-26 and FY 2026-27;
- Allow the entire fixed charges of power purchase as the power is procured from the sources whose PPAs have been duly approved by the Hon'ble Commission and also the energy charges of power procurement from these sources as proposed in the filing;
- Allow the Annual Revenue Requirement of DHBVN for FY 2026-27 along with actual interest cost on entire loan which is borne by the utility;
- Allow revision of the current Petition and submission of the additional /supplementary submissions during the course of proceedings;
- Condone any inadvertent omissions/errors/shortcomings and permit the Petitioner to add/change/modify/alter filing and make further submissions as may be required during the course of these proceedings;
- To pass the Order as may be deem fit by the Hon'ble Commission, keeping in view the circumstances and facts submitted by the Petitioner.

## CHAPTER 2

### PROCEDURAL ASPECTS

#### 2.1. ARR Petition (UHBVNL & DHBVNL)

The Commission has taken on record the petition(s) filed by the distribution licensee(s) in Haryana i.e. UHBVNL and DHBVNL and examined the same. Further, the Commission, vide memo 2529/HERC/No.94 of 2024 dated 02.01.2026 (UHBVNL) and memo no. 2539/HERC/No. 95 of 2025 dated 05.01.2026 (DHBVNL), sought a few clarifications /additional information from the petitioners, which were provided by them, which was not adequate. Accordingly, a few additional information was sought from the licensees vide, interim order dated 09.01.2026.

Also vide letter dated 19.02.2026 and 12.03.2026, discoms were again directed to provide the below information:

1. Roadmap to bridge the revenue gap of Rs. 4485 Crore: A specific proposal of the Discoms for the quantum (Rs./unit) of consumer category-wise tariff hike as well as the amount (Rs/crore), in order to meet the revenue gap.
2. Roadmap for elimination of Cross Subsidy Surcharge: A concrete roadmap for elimination of Cross Subsidy Surcharge rather than a generic information regarding Section 42 of the Electricity Act 2003.

In response, UHBVNL (on behalf of both the DISCOMs), vide memo no. Ch-02/RA/F-25/Vol-90 dated 24.03.2026, has requested the Commission to provide a revenue neutrality, as per regulatory norms and practice directions as well as in exercise of residuary powers of the Commission, provided in the regulations, without any revision in tariff structure, in the interest of electricity consumers of the State. The same is reproduced hereunder:-

| S. No. | Information desired                                | Reply/Information                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | Roadmap to bridge the Revenue Gap of Rs. 4,485 Cr. | <p>To bridge the cumulative revenue gap for the FY 2026-27, the DISCOMs are not proposing any revision in tariff structure, in the interest of electricity consumers of the State. However, Hon'ble Commission is requested to provide a revenue neutrality, as per regulatory norms and practice directions as well as in exercise of residuary powers of the Commission, provided in the regulations.</p> <p>The DISCOMs are taking all possible efforts to strengthen their financial position through various measures such as:</p> |

| S. No. | Information desired                                | Reply/Information                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                            |                                   |                               |                            |                                   |                               |  |  |   |   |        |  |   |           |      |      |      |      |   |                             |      |      |      |      |   |           |      |      |      |      |
|--------|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------------------|-------------------------------|----------------------------|-----------------------------------|-------------------------------|--|--|---|---|--------|--|---|-----------|------|------|------|------|---|-----------------------------|------|------|------|------|---|-----------|------|------|------|------|
|        |                                                    | <ul style="list-style-type: none"><li>• Optimization of power procurement costs through prudent power purchase planning.</li><li>• Improvement in operational efficiency, improvement in AT&amp;C losses.</li><li>• Prudent financial management, lower-cost finance, refinancing of existing loans at competitive rates etc.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                   |                               |                            |                                   |                               |  |  |   |   |        |  |   |           |      |      |      |      |   |                             |      |      |      |      |   |           |      |      |      |      |
| 2.     | Roadmap for elimination of Cross Subsidy Surcharge | <p>As far as elimination of Cross Subsidy Surcharge (CSS) is concerned, the level of CSS in the existing retail supply tariff structure is well within the range of +/- 20% of average Cost of Supply in line with National Tariff Policy, 2016.</p> <p>The level of Cross Subsidy Surcharge approved by the Hon'ble HERC for the FY 2025-26 in the Tariff Order dated 28.03.2025 is as under:-</p> <p style="text-align: center;">Cross-subsidy surcharge for FY 2025-26 (Rs/kWh)</p> <table><tr><th></th><th>Category</th><th>CoS (Rs./kWh)</th><th>Tariff (FC + EC) (Rs./kWh)</th><th>Cross Subsidy Surcharge (Rs./kWh)</th><th>CSS Limited to 20% as per NTP</th></tr><tr><td></td><td></td><td>1</td><td>2</td><td>3= 2-1</td><td></td></tr><tr><td>1</td><td>HT Supply</td><td>7.05</td><td>8.46</td><td>1.41</td><td>1.41</td></tr><tr><td>2</td><td>Bulk Supply (other than DS)</td><td>7.05</td><td>7.60</td><td>0.55</td><td>0.55</td></tr><tr><td>3</td><td>LT Supply</td><td>7.35</td><td>7.66</td><td>0.31</td><td>0.31</td></tr></table> |                            | Category                          | CoS (Rs./kWh)                 | Tariff (FC + EC) (Rs./kWh) | Cross Subsidy Surcharge (Rs./kWh) | CSS Limited to 20% as per NTP |  |  | 1 | 2 | 3= 2-1 |  | 1 | HT Supply | 7.05 | 8.46 | 1.41 | 1.41 | 2 | Bulk Supply (other than DS) | 7.05 | 7.60 | 0.55 | 0.55 | 3 | LT Supply | 7.35 | 7.66 | 0.31 | 0.31 |
|        | Category                                           | CoS (Rs./kWh)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Tariff (FC + EC) (Rs./kWh) | Cross Subsidy Surcharge (Rs./kWh) | CSS Limited to 20% as per NTP |                            |                                   |                               |  |  |   |   |        |  |   |           |      |      |      |      |   |                             |      |      |      |      |   |           |      |      |      |      |
|        |                                                    | 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 2                          | 3= 2-1                            |                               |                            |                                   |                               |  |  |   |   |        |  |   |           |      |      |      |      |   |                             |      |      |      |      |   |           |      |      |      |      |
| 1      | HT Supply                                          | 7.05                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 8.46                       | 1.41                              | 1.41                          |                            |                                   |                               |  |  |   |   |        |  |   |           |      |      |      |      |   |                             |      |      |      |      |   |           |      |      |      |      |
| 2      | Bulk Supply (other than DS)                        | 7.05                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 7.60                       | 0.55                              | 0.55                          |                            |                                   |                               |  |  |   |   |        |  |   |           |      |      |      |      |   |                             |      |      |      |      |   |           |      |      |      |      |
| 3      | LT Supply                                          | 7.35                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 7.66                       | 0.31                              | 0.31                          |                            |                                   |                               |  |  |   |   |        |  |   |           |      |      |      |      |   |                             |      |      |      |      |   |           |      |      |      |      |

## 2.2. Public Notice

The Discoms (UHBVNL & DHBVNL), in fulfillment of the statutory requirement under section 64(2) of the Electricity Act, 2003, issued Public Notice in two Newspapers i.e. UHBVNL published the same in the Tribune (English) dated 03.12.2025 and Dainik Bhaskar (Hindi) dated 03.12.2025 and DHBVNL published the notice in the Tribune (English) dated 02.12.2025 and Dainik Tribune (Hindi) dated 02.12.2025; informing the stakeholders/General Public regarding petition/availability of documents on the website and inviting objections on the same.

To take the process forward, the Commission issued Public Notice in two newspapers, having wide circulation in Haryana i.e., Dainik Bhaskar (Hindi) dated 17.12.2025 and The Tribune (English) dated 17.12.2025. The said notice(s) inviting objections/ suggestions/comments from the stakeholders/general public was also placed on the website of the Commission; the last date for filing objections/comments was intimated as 04.01.2026. In response to the public notice, the Commission received comments/suggestions/ objections from stakeholders, the details of the objections / suggestions are listed in the paragraphs that follows.

For field hearings, the Discoms (UHBVNL & DHBVNL), in fulfillment of the statutory requirement under section 64(2) of the Electricity Act, 2003, again issued Public Notice in two Newspapers i.e. UHBVNL published the same in the Tribune (English) dated 05.02.2026 and Dainik Bhaskar (Hindi) dated 05.02.2026 and DHBVNL published the notice in the Tribune (English) dated 05.02.2026 and Dainik Tribune (Hindi) dated 05.02.2026; informing the stakeholders/General Public regarding petition/availability of documents on the website and inviting objections on the same. The Commission also uploaded the public notice for field hearings on its website with last date of comments being 03.03.2026.

### 2.3. Public Hearing

The Haryana Electricity Regulatory Commission (HERC) organized a series of public hearings to gather objections and suggestions regarding the petitions filed by UHBVNL (Petition No. 94 of 2025) and DHBVNL (Petition No. 95 of 2025). These petitions cover the True-up of FY 2024-25, Mid-Year Performance Review for FY 2025-26, and the Aggregate Revenue Requirement (ARR) for FY 2026-27.

#### 2.3.1 Schedule of Primary Hearing:

The initial formal hearings for both DISCOMs were held at the Commission's headquarters on 08.01.2026 at 11:30 AM at the Court room of the Commission, Bays No. 33-36, Sector-4, Panchkula.

#### 2.3.2 Schedule of Additional Field Hearings:

To facilitate wider public participation across the state, apart from hearing at Panchkula, the Commission conducted additional hearings at the following locations and dates:

| Location           | Date & Time            | Venue                                                            |
|--------------------|------------------------|------------------------------------------------------------------|
| <b>Gurugram</b>    | 10.02.2026 at 11:30 AM | MP Hall, Power Grid Corporation of India Limited, Sector-43.     |
| <b>Panipat</b>     | 24.02.2026 at 11:30 AM | Skylark Hotel Tourist Complex (Haryana Tourism).                 |
| <b>Hisar</b>       | 25.02.2026 at 11:30 AM | Seminar Hall No. 3, Chaudhary Ranveer Singh Auditorium, GJU S&T. |
| <b>Yamunanagar</b> | 02.03.2026 at 11:30 AM | Jyoti Hotel, Industrial Area.                                    |

The petitions were made available for public inspection at the headquarters of UHBVNL and DHBVNL, as well as on their respective websites along with the website of HERC.



Interested parties were required to submit written objections and supporting documents to the Secretary of the HERC by 03.03.2026 and were granted an opportunity for hearing.

The hearings were designed to afford a platform to all stakeholders, including individual consumers and industrial representative bodies, to voice concerns regarding proposed tariffs and utility performance.

#### **2.4. Objections filed by the Interveners**

In response to the public notice issued by the Discoms and subsequently by the Commission, objections were received from 152 stakeholders including several industrial associations, kisan sabhas, trade bodies and domestic consumers, wherein the list of intervenors/objectors have been placed at Annexure C. The comments filed by the intervenors and the discoms' reply thereto have been placed at Annexure D.

**The Commission has carefully considered the submissions made by the intervenors and the responses filed by the DISCOMs. It is observed that several issues have been raised by the intervenors pertaining to the provisions of the Haryana Electricity Regulatory Commission (Duty to Supply Electricity on Request, Power to Recover Expenditure Incurred in Providing Supply and Power to Require Security) Regulations, 2016 and the Haryana Electricity Regulatory Commission (Single Point Supply to Employer's Colonies, Group Housing Societies and Residential or Commercial-cum-Residential Complexes of Developers) Regulations, 2020. These issues, inter alia, include levy of inadequacy charges, levy of Non-Domestic Supply (NDS) load charges, billing-related concerns and other allied matters.**

**The Commission notes that the aforesaid issues are regulatory and operational in nature and do not have a direct bearing on the present proceedings, which are confined to the true-up for FY 2024–25 and determination of distribution and retail supply tariff of the DISCOMs for FY 2026–27.**

**In view of the above, the Commission refrains from adjudicating upon these issues in the present proceedings. However, considering the importance of the concerns raised, the Commission hereby directs the DISCOMs to examine the issues in detail, in accordance with the applicable regulations and extant provisions of law, and to take appropriate and**

**necessary action in a time-bound manner. The DISCOMs shall also ensure that any corrective measures undertaken are duly communicated to the affected consumers and reported to the Commission, as may be required.**

The primary issues relating to present ARR proceedings, as identified upon perusal of the objections filed by intervenors/ stakeholders, response of the Discoms along with the Commission's observations thereon, are summarized as under:-

**2.4.1. Energy Sales:**

As per Haryana Gau Seva Ayog, there are around 691 registered gaushala in Haryana and there is separate subsidised category of tariff to Gau Shala but DHBVN didn't mentioned the energy sales to Gaushala's. The DHBVN may be directed to provide the total consumption/ energy sales to Gaushala Category.

The DHBVN as tabulated above mentioned a category "Non -Domestic", as per the 2021 tariff order the NDS category upto load 50 KW is merged with LT Category supply and the NDS category above load 50 KW is merged with HT category. The DHBVN may be directed to clarify that which category they are referring as NDS in their petition, further DHBVN may be directed to confirm the energy sales for HT-NDS category as well.

The DHBVN didn't mentioned the category "Steel Furnace and Arc Furnace". there is a separate tariff for steel furnace so DHBVN must submit the detail of energy sales to these categories. It is requested that the Hon'ble Commission may reject the plea of the petitioner (DHBVN).

**Discoms Reply:**

The energy sales presented in the Petition are based on audited data. With regard to energy consumption of Gaushala consumers, it is submitted that such consumers are billed under the applicable subsidized tariff category as approved by the Hon'ble Commission. The energy sales pertaining thereto are duly accounted for within the relevant category and are subject to the subsidy reimbursement mechanism under Section 65 of the Electricity Act, 2003. The absence of a separate sub-classification in the summary tables does not imply exclusion of such sales.

It is further submitted that consumers such as Steel Furnace / Arc Furnace are covered and accounted for within the HT Supply category, strictly in accordance with the tariff schedule

approved by the Hon'ble Commission. Accordingly, the energy sales of such consumers are duly included within the HT Supply figures reflected in the Petition.

It is clarified that the category-wise energy sales table presented in the Petition is in a summary form. Consequently, detailed sub-classifications within any category have not been shown separately. The aggregate figures presented in the Petition correctly capture and represent the energy sales for the respective tariff categories.

Further, while DHBVNL is in the process of aligning its internal accounting group heads in line with the prevailing tariff structure, it is reiterated that billing of all consumers has been carried out strictly in accordance with the applicable tariff schedule for the relevant year, and the energy sales figures indicated in the Petition are furnished only for correlation with approved sales and for representation purposes.

In view of the above, it is submitted that Objection No. 1 is based on a misconstruction of the manner of presentation of summary tariff data and does not warrant any modification to the energy sales projections or treatment thereof as submitted in the Petition.

**Commission's Observations :-**

**The Commission has perused the comments filed by the intervenor as well as the reply of DISCOMs thereon. The reply filed by the DISCOMs is self-explanatory; therefore; no further discussion on the same is required. However, the sales projected by DISCOMs shall be suitably examined and dealt with in the order after exercising due prudence check.**

**2.4.2. Non-recovery of feeder specific line losses**

A considerable number of consumers receive supply through Independent/Exclusive Feeders (including Independent Industrial Feeders), where line losses are not being levied or are not being accounted in strict compliance with HERC loss-recovery methodology and billing framework by DHBVN officials. The failure to apply and recover feeder-specific line losses from such Independent Feeder consumers, despite the regulatory mandate, directly results in artificial inflation of overall distribution loss figures, leading to distortion of prudent loss assessment, inaccurate financial representation, and avoidable revenue leakage to the DISCOM

**Discoms Reply:**

At the outset, it is respectfully submitted that the distribution loss levels claimed in the Petition are derived strictly from audited annual accounts and system input–energy data, and

are placed before the Hon'ble Commission for prudence check in accordance with the applicable regulatory framework. The allegations raised concerning independent feeders, feeder-level billing practices, selective application of line losses, internal accounting of rooftop solar injections, operational practices, or alleged procedural inconsistencies do not pertain to the admissibility of distribution losses under the MYT framework. Such matters relate to internal operational or compliance aspects and do not fall within the scope of tariff determination or true-up proceedings under Sections 61, 62 and 64 of the Electricity Act, 2003.

**Commission's Observations:-**

It is noted that there is multiplicity of independent feeder, since losses are to be borne by the consumers and the same will vary depending on the length and other technical characteristics, hence, having a plethora of rates, in the considered view of the Commission, is not feasible. Needless to add that an electricity consumer opts for taking supply through an independent feeder primarily because of his concern for quality and continuity of supply including minimizing the possibilities of 'outages' in supply of power. Hence, the issue is not so much of tariff but reliability of supply. However, the allegation of the intervenor regarding non-levy of line losses of independent feeder on the relevant consumers, is a matter of internal checks and controls to be exercised by the DISCOMs and without any corroborative evidence the Commission is unable to comment on the same. However, DISCOMs are directed to examine such pilferages pointed out by the intervenor and take suitable action.

**2.4.3. Power Purchase Cost:**

As per the petition the average power purchase cost is Rs. 4.84 per unit against the approved average power purchase cost Rs. 4.60 per unit allowed for FY 2-24-2025. This is too high. Incurring ₹1,992.19 Crore towards CTU/CTUILTC power purchase cost, with zero corresponding energy draws/injection, is prima facie irrational, financially imprudent, and requires immediate regulatory scrutiny. And if there was any clause for "termination of agreement" was there in the agreement then why the PPA was terminated on time. Similarly, an expenditure of ₹177.50 Crore towards NRLDC/NLDC power purchase cost, again with zero

units accounted or scheduled for injection, further reflects a pattern of non-transparent and unreasoned loss-pool burdening.

Further, the solar power purchase quantum and cost must be cross-checked and re-verified with the JMRS/JMR sheets and JMR Registers (JMRS) for each relevant billing month/settlement period, as the presented figures do not reflect the actual metered power flow recorded at source, resulting in inflated, inconsistent, or incorrect solar procurement and loss-pool accounting.

**Discoms Reply:**

At the outset, it is respectfully submitted that the objection arises from a conflation of power procurement from generating sources with charges levied for transmission and system operation services, which are distinct and governed by separate regulatory frameworks.

It is submitted that CTU, NLDC and RLDC charges are levied in relation to inter-State transmission, grid connectivity, scheduling, and system operation/dispatch services, and not for purchase of electrical energy as a generating source. Accordingly, these heads inherently do not represent or reflect energy procurement, nor are they required to show quantum of energy procured in MU, as they are not associated with generation or sale of electricity, but with regulated transmission and system operation functions.

The charges payable under these heads arise from statutory access to the transmission system, connectivity to the inter-State grid, and utilisation of dispatch and system operation services, and are levied in accordance with the applicable regulatory framework notified by the Central Electricity Regulatory Commission. Such charges accrue independently of actual energy drawal or injection during a particular period and are not contingent upon scheduling of power from any generating station.

The objection proceeds on the erroneous premise that CTU / NLDC / RLDC charges should correspond to energy drawal in the same manner as charges payable to generating companies. This premise is incorrect, as the said entities are system operators and transmission service providers, and not generators, and therefore their charges cannot be equated with power purchase from generating sources.

Accordingly, the absence of energy figures under these heads does not indicate absence of service or impropriety in accounting, but merely reflects the nature of the charges, which are

levied for regulated transmission and system operation services and are correctly accounted for as such in the Petition.

In view of the above, it is respectfully submitted that the treatment of CTU / NLDC / RLDC charges in the Petition is fully consistent with the Electricity Act, 2003 and the applicable regulatory framework, and the objection raised in this regard is based on a misconception of the sectoral cost structure and does not warrant any modification or adverse consideration by the Hon'ble Commission.

Similarly, the objection concerning solar power procurement and accounting is unfounded and does not disclose any deviation from the statutory or regulatory framework applicable to the Petitioner. Solar power procurement by the Petitioner is undertaken strictly in accordance with the applicable Power Purchase Agreements (PPAs) approved by the Hon'ble Commission and the governing regulations, including the Electricity Act, 2003, the relevant CERC / HERC regulations, and the tariff orders issued by the Hon'ble Commission from time to time. The quantum of solar energy procured and accounted for is determined exclusively on the basis of Joint Meter Readings (JMRs) recorded at the interconnection point, duly authenticated by all concerned parties in accordance with the provisions of the PPAs and the applicable metering and accounting regulations. The JMRs constitute the sole and final basis for settlement of energy and charges payable and are subjected to audit and regulatory scrutiny. It is further submitted that the accounting of solar power procurement in the Petition has been carried out as per the approved accounting methodology consistently adopted and accepted by the Hon'ble Commission in tariff proceedings, and is fully reconcilable with metering data, audited accounts, and system records. There is no provision under the MYT Regulations or the Electricity Act, 2003 that permits substitution of verified JMR-based accounting with conjectural or unsubstantiated estimates. The objection alleging inflated or imprudent solar power procurement is made without placing on record any quantified discrepancy, verifiable metering data, or specific instance of regulatory non-compliance. In the absence of such substantiation, the allegation remains general and speculative and does not meet the threshold required for consideration in tariff proceedings. It is respectfully submitted that tariff determination and prudence check under the MYT framework are based on audited actuals and established accounting principles, and cannot be reopened on the basis of conjecture or unverified assumptions. Any attempt to question

JMR-based accounting without cogent evidence is contrary to settled regulatory practice and untenable in law.

In view of the above, it is submitted that the solar power procurement and accounting reflected in the Petition are fully compliant with the Electricity Act, 2003, applicable regulatory provisions, and binding tariff orders of the Hon'ble Commission, and therefore do not call for any modification, re-verification, or adverse inference.

**Commission Observation:**

**The Commission has perused the comments filed by the intervenor as well as the reply of DISCOMs thereon. The reply filed by the DISCOMs is self-explanatory; therefore; no further discussion on the same is required.**

**2.4.4. Energy Balance & Sale of Surplus Power:**

DHBVN has submitted that 3,941.13 MU were sold outside the State. It is submitted that the DISCOM/HPPC must disclose complete and detailed data of such inter-state sale, including the rate per unit/kWh at which the said surplus power was sold to other States, for a prudent assessment by the Commission. In these circumstances, the Commission may consider that instead of selling surplus power outside the State at low discovered rates, the DISCOM should be directed to revive or re-introduce the TOU/TOD scheme on the same terms and conditions as FY 2017–18.

**Discoms Reply:**

At the outset, it is respectfully submitted that the objection raised with regard to sale of surplus power and the Time of Day / Time of Use (TOD/TOU) framework proceeds on an incorrect appreciation of the regulatory scheme and the jurisdictional contours of tariff determination. Sale of surplus power outside the State is undertaken by the Petitioner strictly through established market mechanisms, including power exchanges, and in accordance with the provisions of the Electricity Act, 2003, applicable regulations, and commercial prudence norms. Such sale is resorted to only where surplus power is available after meeting the demand within the State and is undertaken in the interest of optimal resource utilisation. The revenue realised from such sale has been duly accounted for in the ARR calculations placed before the Hon'ble Commission.

It is further submitted that the design, structure, modification and implementation of TOD/TOU tariffs fall exclusively within the regulatory domain of the Hon'ble Commission, in

terms of Sections 61, 62 and 64 of the Electricity Act, 2003, and are determined through tariff orders issued after due stakeholder consultation and regulatory deliberation. A distribution licensee has no unilateral authority to revive, modify, or implement any TOD/TOU framework except as approved by the Hon'ble Commission.

In this context, it is respectfully submitted that the Hon'ble Commission is presently in the process of finalising a revised TOD/TOU structure in consultation with the Distribution Licensees. The formulation of such a framework involves detailed technical analysis, load profiling, consumer impact assessment, grid optimisation and revenue neutrality considerations, and therefore requires extensive deliberation to ensure that the framework is balanced, implementable, and in the best interest of consumers in the State of Haryana.

Accordingly, the TOD/TOU framework is under active regulatory consideration, and any suggestion to revive or reintroduce historical TOD/TOU structures through objections in ARR proceedings is premature, outside the scope of tariff determination, and contrary to the settled regulatory process.

It is respectfully submitted that ARR proceedings are not the appropriate forum for seeking policy-level redesign of tariff instruments such as TOD/TOU, which are addressed separately by the Hon'ble Commission through dedicated tariff orders and regulatory consultations. Any such modification, if considered appropriate, can only emanate from the Hon'ble Commission upon completion of the ongoing deliberative process.

In view of the above, it is submitted that the objection relating to sale of surplus power and TOD/TOU framework is based on a misunderstanding of the regulatory process and does not warrant any direction, modification, or adverse inference in the present ARR and tariff proceedings.

**Commission Observation:**

**The Commission has perused the comments filed by the intervenor as well as the reply of DISCOMs thereon. The Commission, in its tariff order dated 28.03.2025, had directed the Discoms, to file a separate petition, in line with the Electricity (Rights of Consumers) Amendment Rules, 2023, notified by the Ministry of Power (MoP) on 14th June, 2023, with a specific proposal for approval and implementation of ToD Tariff for the electricity consumers of the State other than AP consumers. The petition to be filed duly supported by the complete data of load curve in different time slots of the day and months. The**



consumer category wise consumption data for the proposed time slots, may be utilized in determining the ToD structure. Further, data/details such as Average Market Clearing Price during different months/time-slots, peak and off-peak hours, solar and non-solar hours etc., should also be provided. The proposal to also include the tariff for the peak/ off-peak /solar / non-solar hours and the impact of the ToD implementation on the load curve (daily and seasonal basis) as well as on the overall revenue.

However, in response, DISCOMs have submitted that the data required for filing the petition is voluminous and time consuming. The DISCOMs are already in process of compiling the data and making the desired proposal. Accordingly, the DISCOMs requested some more time to file the petition duly supported by complete data.

The Commission has taken note of the suggestions of the intervener and shall consider the same while examining the proposal of the Discoms.

#### **2.4.5. Administrative & General Expenses: -**

The Discom submitted that actual administrative expenses are 196.41 Crore against the approved one 166.49 crore, the increase is about 17.97% which is quite high. The reason given by the discom i.e meter reading , bill distribution is not justified because in this era of technology almost every consumer is using the Mobile phone and downloading the bills online further there is no need of meter reading for the HT consumers since there reading was taken directly from the backend being having the AMR facility similarly for the consumers having the smart meters. The discom may require to give the complete details.

Further, XEN T&M, DHBVN, Hisar vide memo no. Ch-17/T&M -305 dated 09.01.2018 to the address of all the Executive Engineers has issued instructions for installing the GPS system in each vehicles and monthly certificates to the effects is required to be recorded by officer/in charges. But contrary to the above instruction most of the officials don't followed these instructions and verified the claim of the contractors without any detailed log book or GPS System as noticed during the test audit. Further as per outsourced policy all the vehicles to be engaged must be registered as commercial vehicles but most of the engaged are registered as personal/ non-commercial which is a violation of the instructions. And irregular payment amounting to lakhs of rupees paid to the contractors.

**Discoms Reply:**

At the outset, it is respectfully submitted that the objection raised with regard to Administrative and General (A&G) expenses is misplaced and does not disclose any regulatory non-compliance.

It is submitted that the A&G expenses claimed in the Petition are based on audited actuals and have been placed before the Hon'ble Commission strictly in accordance with the applicable regulatory framework. In terms of the HERC (Terms and Conditions for Determination of Tariff under Multi Year Tariff Framework) Regulations, A&G expenses form part of controllable/allowable expenditure and are subject to prudence check by the Hon'ble Commission, which retains full discretion to allow, disallow, or adjust such expenses based on reasonableness and necessity.

It is further submitted that the increase in A&G expenses has already been duly explained and justified in detail in the ARR Petition, with supporting rationale provided therein. The said increase primarily arises on account of legitimate operational requirements, including expenditure towards meter reading, billing, IT-enabled consumer services, system support, and outsourced services necessitated by expanding consumer base, enhanced service obligations, digitisation initiatives, and compliance with evolving regulatory and statutory mandates.

The allegations raised by the objector pertaining to maintenance of vehicle log books, GPS installation, audit observations, utilisation of outsourced vehicles, or internal procedural compliance relate to internal administrative and vigilance matters. It is respectfully submitted that such issues are extraneous to tariff determination proceedings.

It is a settled regulatory principle that tariff proceedings are not investigative, disciplinary, or audit forums, and unless a specific, quantified, and demonstrable financial impact attributable to non-prudent expenditure is established with supporting evidence, such general allegations cannot form the basis for disallowance of audited expenses. No such quantification or regulatory violation has been demonstrated by the objector in the present case.

It is further submitted that the Hon'ble Commission, in past tariff orders, has consistently held that allegations of procedural lapses or administrative inefficiencies, even if assumed without admission, do not ipso facto warrant disallowance of otherwise legitimate and

audited expenses unless the same are shown to be imprudent, unnecessary, or in violation of the regulatory framework.

In view of the above, it is respectfully submitted that the A&G expenses claimed in the Petition are fully compliant with the applicable HERC MYT Regulations, and established regulatory practice, and the objection raised does not warrant any modification or adverse consideration by the Hon'ble Commission.

**Commission Observation:**

**The Commission has perused the comments filed by the intervenor as well as the reply of DISCOMs thereon. The same shall be considered while examining the proposal of the Discoms.**

**2.4.6. Capital Expenditure:**

HERC duty to supply regulations provides that the cost of extension of distribution main and/or its up-gradation up to the point of supply for meeting the demand of a consumer, whether new or existing, and any strengthening/augmentation/up-gradation in the system starting from the feeding substation for giving supply to that consumer, shall be payable by the consumer or any collective body of such consumers.

But various Sub Divisions under circle Bhiwani, Narnaul, Gurgaon etc violated the HERC regulation and released the connection to private consumers without recovering/ charging the cost of estimate.

The concerned SDO's failed to implement the orders of HERC in turn spirit which resultant to heavy loss. The estimated loss is around 300 Crores.

In addition to the above a lot of such like connections have been reported to be released with taking cost of estimates in other sub division under the jurisdiction of Sub Urban Division Bhiwani it. To safe guard Nigam's financial interest it is required that all such cases be identified and amount shall be recovered from the consumers.

Although there is no distinction in Regulation about power to recover expenditure for release of connections for Govt. Departments and private connections, yet not even a single Govt. Connection has been released without recovering the total expenditure likely to be incurred in releasing the connections. On the other DHBVN is liberal enough and all private connections have been released without recovery of expenditure and the Nigam has been put to heavy loss.

The SE/Op Jind raised the issue and SE/Commercial, DHBVN, Hisar vide memo No. Ch-64/SE/C/341/2005 dated 17.08.2022 clarified that as per Clause 4.6'. "The cost of extension of distribution main and/or its up gradation up to the point of supply for meeting the demand of a consumer, whether new or existing, and any strengthening/augmentation/up-gradation in the system starting from the feeding substation for giving supply to that consumer, shall be payable by the consumer or any collective body of such consumers as per these Regulations"

With due respect it is stated that a large scale conspiracy was hatched and the Sales Circular No. D-29/2016 was knowingly misinterpreted to derivate undue again and the total estimated loss is about 500 Crore Rupees.

Your kind attention is invited toward regulations -12 of SMI No 11.11 which explains the detailed procedure for dealing with the disposal of Half Margins issued by Audit. But the settled procedure has not been followed delay in charging the due amount is leading to loss to Nigam, there are numerous case wherein the Half Margins are not disposed off on time.

iii. Non recovery of defaulting amount : - The area of Nangal Chaudhary / Atela Kalan/ Jhojhu Kalan/ Sohna is that of Crusher Zone. The crusher units are erected on a piece of land generally taken on lease from the local farmers. These crusher units do not have a big building and Plant and Machine are erected in open area. In these cases first error is caused at the time of release of connection because consent of land lord as required under SMI No. 1.23 which bound the land lord for payment of outstanding defaulting amount is not taken. The first bills are also not issued immediately after release of connections which results in accumulation of outstanding amount and action for recovery of outstanding a per SMI 6.16 is not taken. The connections of defaulter consumers are not disconnected and action as per S.M.I. No. 7.1 and 7.3 is not taken. And huge loss incurred to the Nigam.

Non accounted of dismantlement of IDOL line , material:- 33 KV Sub Station are erected due to installation of 132 KV Sub Station near to these sub stations, the connectivity has been made from newly erected 132 KV Sub Station.

For Example:

A. 33 Kv S/Stn Mandola under operation circle Bhiwani was connected to 132 KV S/Stn Charkhi Dadri by erecting almost 20 KM 33 KV Line. Subsequently an another 33 KV S/Stn was installed at village Makrani and Adampur. The distance of Mandola from these substation is

10 Km ( approx.), So Mandola S/Stn was connected to Makrani- Adampur Dhadi S/Stn. This led the 33 Kv Dadri Mandola Line Ideal. But the Ideal line has not been dismantled and almost 60 KM conductor has been stolen.

B. Similarly 33 KV Bahu Village line became ideal due to erection of 132 KV S/Stn at Kosli. This line existed on towers/ poles. Almost every part of this line including pole/ conductor stands stolen. v. A scheme in the decades of 1980's was started . some Bijali Seva Kendar / BSK having 2 room structure were erected but these became idol and not even a single brick was taken to books and unscrupulous people got these building dismantled at their own.

Rural Management Scheme:- Around 16 crores of rupees spent and not a single system used so far.

DHBVN submitted that Rs. 38.45 crore is spent on "Power Factor Improvement correctors" – This amount needs to be verified that what instruments is purchased and where these instruments have been used.

In Gurgaon- Faridabad area, the LOI issued after 2018 needs to be erected the 33 KV infrastructure and in most of the cases 11 KV initial/ temporary infra is developed by the builder, The DHBVN should submit the detail of these 11 KV feeders and the material / line used for some other consumer.

**Discoms Reply:**

At the outset, it is respectfully submitted that the capital expenditure proposed and capitalised in the Petition has been accounted for in accordance with the applicable MYT Regulations and has been placed before the Hon'ble Commission for prudence check, which remains the exclusive domain of the Hon'ble Commission. The Petition neither departs from nor dilutes the regulatory treatment prescribed for capital expenditure.

The objector's attempt to rely upon alleged instances of non-recovery or procedural deviations at subdivision or individual consumer level, and to extrapolate the same into speculative financial loss figures, is misconceived. It is respectfully submitted that ARR and tariff proceedings are not intended to adjudicate individual consumer-wise recovery issues, operational deviations, or alleged administrative lapses.

In the absence of any demonstrated deviation from the prescribed regulatory framework governing capitalisation or recovery norms, the objection does not disclose any regulatory infirmity affecting the capital expenditure claimed in the Petition.

Accordingly, it is respectfully submitted that the capital expenditure and its treatment in the Petition are fully compliant with the applicable HERC MYT Regulations, and the established regulatory process, and therefore do not warrant any modification or adverse consideration by the Hon'ble Commission.

**Commission Observation:**

The Commission has perused the comments filed by the intervenor as well as the reply of DISCOMs thereon. However, the allegation of the intervenor regarding non-recovery of service connection charges, augmentation charges etc, is a matter of internal checks and controls to be exercised by the DISCOMs and without any corroborative evidence the Commission is unable to comment on the same.

The Hon'ble Appellate Tribunal for Electricity (APTEL) has consistently held that State Electricity Regulatory Commissions (SERCs) must function within their regulatory scope, often ruling against "micromanagement" or unwarranted interference in the daily operational and commercial decisions of licensees (such as Distribution Companies or Transmission licensees). APTEL's rulings generally emphasize that the role of the regulator is to create a framework for competition and efficiency, not to replace the management of the utility.

Similarly, Hon'ble Supreme Court, in its order dated 14.07.2025 (Civil Appeal No. 23514 of 2017 in the matter of Torrent Power Limited vs. U.P. Electricity Regulatory Commission & Ors.) held that State Electricity Regulatory Commissions have limited Adjudicatory Powers. Under Section 86(1)(f), ERCs can adjudicate only disputes between licensees and generating companies and individual grievances or third-party complaints are excluded. However, DISCOMs are directed to examine such pilferages pointed out by the intervenor and take suitable action.

**2.4.7. Interest on Working Capital and Borrowing:**

As per the petition filed by DHBVNL, the Consumer security deposit is Rs. 2966.31 crore, Consumer Security Deposit (SED/ACD) is not merely a statutory liability, but a critical, cost-free capital resource available with the DISCOM for meeting its Working Capital Requirement (WCR).

Regulation 5.1 & 5.2 of the HERC (Electricity Supply Code) Regulations mandate that the adequacy of consumer security deposit must be reviewed every financial year, based on

actual energy sales and Average Consumption Demand (ACD). The Petitioner submits that, as per the DISCOM's own declared sales, the rightful security deposit capital for FY 2024-25 should have been Rs. 4,187.79 crore, and if reviewed in a timely manner as per the regulations, the cumulative available security capital would have stood at approximately Rs. 4,100 crore, which is sufficient to materially offset the Working Capital Gap claimed by DHBVN.

The DISCOM is presently claiming an interest burden of 10.15% on working capital to justify its WCR, whereas the interest payable by DISCOM on Consumer Security Deposit/ACD ranges only between 6.5% to 6.7%, which is substantially lower than the interest it incurs on borrowed working capital. Had the SED/ACD been reviewed and rationalized annually, as mandated, DHBVN would have been able to deploy an additional ~Rs. 1,100 crore of consumer security capital, thereby reducing dependency on external borrowings and correspondingly reducing the interest burden on WCR. This clearly establishes that the DISCOM's failure to conduct timely security deposit reviews has directly inflated its WCR interest cost, resulting in avoidable financial inefficiency, to the detriment of consumers.

Accordingly, it is submitted that prudent regulatory compliance of annual ACD review would have enabled DHBVN to rely on lower-cost internal capital, reduce working capital borrowings, and significantly lower the effective interest outgo on WCR. The Commission may therefore consider directing DHBVN to place on record the year-wise security deposit assessment, actual ACD calculation, and the comparative interest savings that could have accrued had the reviews been conducted on time.

**Discoms Reply:**

At the outset, it is respectfully submitted that the objection raised with regard to Interest on Working Capital and the treatment of Consumer Security Deposit (ACD) proceeds on a misunderstanding of the applicable regulatory framework.

It is submitted that the rate of interest on working capital has been considered at the actual applicable interest rate, in accordance with, and within the parameters expressly permitted under, the said Regulations.

It is further submitted that the interest on working capital applied in the Petition is fully aligned with the provisions of the HERC MYT Regulations, 2024, and no deviation, discretion, or arbitrary adjustment has been exercised by the Petitioner in the computation thereof.

With respect to Consumer Security Deposit (ACD), it is submitted that the treatment of ACD forms an integral component of the normative working capital framework under the applicable regulatory provisions and is governed by the HERC Electricity Supply Code Regulations read with the HERC MYT Regulations. The regulatory framework comprehensively prescribes the manner in which ACD is to be factored for tariff determination purposes.

The suggestion of the objector regarding alternative or enhanced utilisation of ACD for offsetting the working capital requirement is not contemplated under the HERC MYT Regulations, 2024, and therefore cannot substitute or override the regulation-prescribed, formula-based mechanism adopted by the Petitioner. Tariff determination under the MYT framework is strictly regulation-driven and does not permit adoption of hypothetical or discretionary models outside the express provisions of the Regulations.

It is further submitted that the objector has merely placed on record a tabular statement indicating an assumed level of ACD, without furnishing any calculation methodology, regulatory basis, or linkage to the computation mechanism prescribed under the MYT Regulations. In the absence of a regulation-backed methodology or demonstrable deviation from the prescribed framework, such indicative figures cannot form the basis for reassessment of Interest on Working Capital.

In view of the above, it is respectfully submitted that the computation of Interest on Working Capital, including application of the actual applicable interest rate, and the treatment of ACD in the Petition are fully compliant with the HERC MYT Regulations, 2024, and no regulatory infirmity has been demonstrated by the objector warranting any modification or reconsideration by the Hon'ble Commission.

**Commission Observation:**

**The Commission has already examined and expressed its views on such type of comments in the preceding paras of this order. Hence, no further discussions on the same is required.**

**However, DISCOMs are directed to examine such anomalies in the levy of ACD pointed out by the intervenor and take suitable action.**



#### **2.4.8. Non Recovery of defaulting Amount:-**

There are more than 500 defaulter Crusher connection in Atela and Nangal Chaudhary Sub Division which accumulate the defaulting amount tune to Rupees 100 Crore but no concrete steps have been taken by the DHBVN to recover the same. Not a single case been made in land dues recovery act.

The existing Late Payment Surcharge (LPSC) of 1.5% per month, compounded monthly, being levied by the DISCOM, is excessive, outdated, and no longer reflective of the present cost of capital or market lending rates. It is submitted that the LPSC rates presently in force were originally framed on the basis of economic conditions prevailing in FY 2010–11 and FY 2011–12, when lending benchmarks such as the Prime Lending Rate (PLR) and Marginal Cost of Funds-based Lending Rate (MCLR/MLCR) were substantially higher. However, in the current financial environment, lending rates including MCLR and Policy Repo-linked PLR have reduced drastically, reflecting a systemic decline in the overall cost of money.

Despite such reduction, DISCOM continues to levy surcharge at a legacy rate without periodic review, resulting in disproportionate penal burden on consumers, which is neither reasonable nor aligned to present financial realities. It is further submitted that regulatory principles require that carrying cost, interest, and surcharge components must be fair, non-punitive, and dynamically calibrated to prevailing macro-lending conditions. The Petitioner submits that the LPSC should therefore be reviewed and rationalized, and instead of a fixed 1.5% monthly compounded rate, the surcharge mechanism should be directly indexed and linked to the prevailing MLCR/MCLR, with a modest spread, so that:

- i. Consumers are charged a rate that is market-aligned and proportionate,
- ii. DISCOM recovers its legitimate time value of money, not a windfall penalty, and
- iii. The surcharge automatically adjusts with reduction/increase in national lending benchmarks without requiring repeated tariff interventions.

Accordingly, the Commission may kindly consider directing DISCOM to re- determine the LPSC formula, linking it to present MLCR/MCLR rates notified by RBI-regulated banks, and place on record a revised, rational, and legally sustainable surcharge framework.

MDI Penalty – it is submit that the MDI/Contract Demand penalty in Haryana — quantified as 25% of Sale of Power — is disproportionately high when benchmarked with other major States.

i. In Punjab, a fixed surcharge of ₹750/kVA per month (or daily for OA/CPP) is applied strictly on excess demand, making the penalty proportionate to actual violation.

ii. In Maharashtra, the penalty is formulated as 150% of demand charges levied only on the excess portion of demand over Contract Demand, again tethered to demand cost rather than the full SoP.

iii. In Delhi, a 30% surcharge on Fixed Charges for excess MD is the norm, which avoids direct penalisation of energy charge components. Conversely, the Haryana penalty of 25% on total SoP introduces an excessive burden on consumers by applying a punitive percentage on the entire energy and demand bill rather than on the marginal excess demand alone. This leads to a higher effective rate of penalty relative to peers and lacks parity with normative regulatory practice elsewhere.”

iv. It is respectfully submitted that every HT industrial consumer in Haryana remains under constant fear of the disproportionately hefty MDI penalty, which is levied at the rate of 25% of the entire monthly energy bill even for a marginal or occasional excess drawl, compelling consumers to artificially inflate their contract demand by 25–30% beyond their actual requirement purely as a defensive measure against financial exposure. This results in an anomalous situation where an industrial consumer whose genuine connected/required load is 100 kW is forced to obtain 130–140 kW contract demand, not on the basis of technical necessity, but due to the apprehension of punitive billing. Consequently, this mechanism not only discourages industries from operating at their optimal capacity but also prevents the utility and the Commission from assessing and recognizing the true and realistic load requirement, thereby distorting demand forecasting, infrastructure planning, and energy balancing.

It is further submitted that, unlike the past metering limitations, all HT connections in Haryana now have AMR/AMR-enabled AMR (Automatic Meter Reading) / AMR + AMI or at least AMR with 15-minute load profile retrieval through AMR (commonly used by DHBVN/UHBVN), which allows the licensee to retrieve and verify consumer demand data in 15- minute blocks through AMR/AMR-linked AMI servers or MDAS (Meter Data Acquisition System). Since the technology already enables granular demand monitoring and evidence-based assessment, the continuation of a blanket monthly penalty is irrational, excessive, and contrary to the principle of proportionality.

It is therefore prayed that the MDI penalty should be rationalized and made chargeable strictly on a daily basis, only for the specific day(s) on which the recorded 15-minute MDI exceeds the approved contract demand, instead of penalizing the consumer for the whole month. Such a reform will (i) encourage industrialists to declare their correct load without inflation, (ii) promote efficient peak-load management, (iii) remove economic deterrence on production, and (iv) enable DISCOMs to record authentic demand patterns, ultimately supporting better grid planning and intra-state energy utilization. This approach will create a balanced, data-driven, and industry-friendly regulatory framework, aligned with modern metering capabilities and the present energy economics.

**Discoms Reply:**

At the outset, it is respectfully submitted that the objection raised by the objector combines issues relating to individual consumer-wise recovery, surcharge structure, and demand penalty formulation, which are governed by distinct statutory and regulatory instruments, and do not fall within the scope of adjudication in the present ARR and tariff proceedings.

**A. Alleged Non-Recovery of Defaulting Amounts**

It is submitted that recovery of arrears from defaulting consumers, including initiation of action under applicable recovery mechanisms, is governed by the HERC Electricity Supply Code Regulations and the conditions of supply, and is undertaken through established administrative and statutory procedures.

ARR and tariff proceedings under Sections 61, 62 and 64 of the Electricity Act, 2003 are confined to determination of revenue requirement and tariff parameters on a normative and regulatory basis. These proceedings do not envisage examination or adjudication of individual consumer-wise enforcement actions or recovery steps, nor do they permit linkage of alleged recovery gaps with tariff admissibility.

In the absence of any demonstrated deviation from the approved regulatory framework affecting ARR computation, the objection relating to alleged non-recovery of dues is extraneous to the present proceedings and does not warrant consideration by the Hon'ble Commission in the context of tariff determination.

**B. Late Payment Surcharge (LPSC)**

It is submitted that the rate and structure of Late Payment Surcharge (LPSC) are part of the approved tariff framework notified by the Hon'ble Commission through tariff orders issued

in exercise of powers under Sections 61, 62 and 64 of the Electricity Act, 2003. Once approved, the LPSC provisions are statutory in nature and binding on both consumers and the distribution licensee.

The objection seeking review, indexing, or restructuring of LPSC based on prevailing lending benchmarks or inter-temporal economic conditions is outside the scope of ARR proceedings. Any modification to the LPSC structure can only be undertaken by the Hon'ble Commission through a separate tariff order or regulatory amendment, and not through objections raised in ARR proceedings.

It is respectfully submitted that unless and until modified by the Hon'ble Commission, the existing LPSC provisions continue to remain applicable and enforceable, and do not disclose any regulatory infirmity warranting interference in the present proceedings.

#### C. MDI / Contract Demand Penalty

It is submitted that the MDI / Contract Demand penalty mechanism forms part of the approved tariff conditions determined by the Hon'ble Commission after due regulatory process. The manner of levy, quantum, and applicability of MDI penalty are policy and regulatory determinations of the Hon'ble Commission, made in exercise of its statutory powers.

The objection seeking re-design of the MDI penalty structure, daily applicability, or benchmarking with practices in other States is not maintainable in ARR and tariff proceedings, which are not meant to revisit or re-engineer approved tariff instruments.

Further, the availability of advanced metering or load profiling technology does not, by itself, alter or invalidate the tariff provisions approved by the Hon'ble Commission. Any revision to the MDI penalty framework, if considered necessary, can only emanate from the Hon'ble Commission through an appropriate regulatory or tariff exercise, and cannot be sought indirectly through objections in the present Petition.

#### D. Jurisdictional Limitation

It is respectfully submitted that the Hon'ble Commission, in tariff proceedings, examines only whether the Petition complies with the applicable regulations and approved tariff framework. In the absence of any demonstrated deviation from the approved provisions governing recovery, LPSC or MDI penalty, the objections raised do not disclose any ground for modification of the Petition.

**Commission Observation:**

The Commission has perused the comments filed by the intervenor as well as the reply of DISCOMs thereon. The Commission is of the considered view that framework of late payment surcharge and MDI penalty are intentional regulatory tools and are not arbitrary charges. LPS motivates the electricity consumers to pay on time and discourage defaults so as to prevent financial stress on DISCOMs.

MDI Penalty is charged when a consumer exceeds their sanctioned load/demand which ensures proper load management, Grid stability and avoids overloading infrastructure.

Since, LPS and MDI penalties are regulatory mechanisms designed to deter payment defaults and ensure operational discipline among consumers, no further discussion on the same is required.

**2.4.9. Align 'RPO computation' with the recent MoP RCO Order dated 27.09.2025.**

The Hon'ble Commission in its ARR Order dated 28.03.2025, has computed the Renewable Purchase Obligation (RPO) for FY 2025-26, wherein the approved RPO is computed by deducting the 'total consumption met from RE sources and hydro power' from the total consumption for the computation of RPO.

Hon'ble Commission has recently notified HERC (Terms and Conditions for determination of Tariff from Renewable Energy Sources, Renewable Purchase Obligation and Renewable Energy Certificate) Regulations, 2025 on 29.10.2025, wherein it is clarified that the Renewable Purchase/ Consumption / Generation obligations, shall be complied by the obligated entities, wef FY 26-27 as may be notified by MOP from time to time.

MOP has issued revised Renewable Consumption Obligation (RCO) under the Energy Conservation Act, 2001, vide notification dated 27.09.2025, wherein the Ministry has defined that RE Obligation of the obligated entity(s) is to be computed in energy terms as a percentage of total consumption of electricity excluding electricity consumed from Nuclear Power Sources.

The above MoP Notification clarifies that only power consumed from nuclear sources shall be excluded while computing RCO, while the renewable or hydro power is not to be deducted while computing RCO in energy terms.

Further, the MoP Notification also provides illustrative examples with respect to computation of 'Net Electricity Consumption for RCO', 'RCO Compliance' etc. The Hon'ble Commission is

requested to consider and align the RCO computation with the illustrative examples provided in 'Annexure-I of the MoP Notification'.

**Discoms Reply:**

Hon'ble HERC vide notification dated 29.10.2025 issued HERC RE Regulation, 2025 which will come into force with effect from 01.04.2026. Further as per chapter No.14 titled "RPO/RCO", RPO trajectory to be followed by Obligatory entities in the following manner: "The Renewable Purchase / Consumption / Generation obligations, as may be notified by the Ministry of Power from time to time, shall be complied by the obligated entities, w.e.f. the FY 2026-27. However, obligated entities may exercise the option to comply with either the HERC trajectory specified in the HERC RE Regulations, 2021 (2nd Amendment), 2022 or the MoP trajectory, for the FY 2025-26."

From the above, it is evident that HERC in its order dated 29.10.2025 has mentioned that RPO trajectory shall be strictly complied by obligated entities as per MoP notification as amended from time to time, w.e.f FY 2026-27 onwards. However, HERC has given the option to obligatory entities for compliance of RPO Trajectory for FY 2025-26 either as per HERC RE Regulations, 2021 (2nd Amendment 2022) or the MoP trajectory, as the gestation period of RE projects i.e., 18–24 months.

Accordingly, as per approval of management, HPPC opt for RPO trajectory for FY 2025-26 as per HERC RE Regulations, 2021 (2nd Amendment 2022).

To achieve the ibid RPO targets, HPPC made all out efforts and tied up the capacity across Solar, Wind, Hybrid, Biomass, WtE and Hydro sources.

It is further submitted that as per current tied-up contracted capacity, 9483 MW RE power is expected to be commissioned by the end of FY 2027-28 and RPO targets for FY 2025-26 are expected to be achieved with surplus.

**Commission Observation:**

**The Commission has perused the comments filed by the intervenor as well as the reply of DISCOMs thereon. The reply filed by the DISCOMs is self-explanatory; therefore; no further discussion on the same is required.**

**2.4.10. High Fixed Charges and Industrial Tariff:**

Objectors submitted that fixed charges for industrial consumers are excessively high (in some cases around ₹290/kVA) and continue to be levied even during periods of low consumption,

thereby increasing the cost of production and affecting competitiveness of industries. It was requested that fixed charges be reduced, rationalized and linked with actual demand rather than sanctioned load.

**Discom Reply:**

The fixed charges are designed to recover fixed costs such as network infrastructure, capacity creation and maintenance expenses, in line with cost-of-service principles and HERC Regulations. These costs are unavoidable in nature and are essential for ensuring reliable supply. The proposed charges are subject to prudence check and approval by the Hon'ble Commission.

**Commission Observation:**

**The Commission has noted the concerns of the intervenor. The Commission observes that the fixed charges applicable to HT consumers were last revised in FY 2015–16 and remained unchanged for nearly seven years, despite a sustained increase in the cost of supply. The present revision translates into a modest annualized increase, with a CAGR of approximately 5.49%. Further, the impact of the revised fixed charges on the overall electricity bill of consumers is estimated to be only around 10%. The Commission further observes that the long period of tariff stability necessitated a realignment to address a revenue gap of ₹3,262 crore in FY 2025-26. It observed that fixed charges are essential to recover infrastructure costs that do not depend on energy consumption.**

**2.4.11. Reduction / Moderation of Energy Charges:**

Stakeholders requested reduction or stabilization of per-unit electricity tariff, stating that high energy charges increase the cost of production for industries and create affordability issues for domestic and agricultural consumers.

**Discom Reply:**

Energy charges reflect the actual cost of supply, primarily driven by power purchase cost, which constitutes a major portion of ARR. Any reduction without corresponding reduction in cost would adversely affect the financial viability of the utilities and their ability to maintain reliable supply.

**Commission Observation:**

**The Commission has noted the concerns of the Stakeholders and submission of the Petitioner. The Commission, while approving the True-up of FY 2024-25 and the ARR for FY**

2026-27, has considered the gap available with the Petitioner after True-up of FY 2024-25 and adjusted the same with Revenue surplus for FY 2026-27. Based on Approved Cost of Supply for FY 2026-27, the category-wise tariff in terms of fixed and variable charges has been approved. Additionally, DISCOMs have proposed schemes for allowing the electricity consumers of the State to opt for reduction/increase in their load without any cost, in a block of three years, which will also have an impact on the revenue stream of the DISCOMs. Thus, there is no surplus available which can be passed on to the consumers in form of reduced tariff.

**2.4.12. Burden of Additional Charges (FSA/FPPA, Duties, Taxes):**

Objectors raised concerns regarding FSA/FPPA and other charges such as electricity duty and municipal taxes, stating that these significantly increase the effective electricity bill.

**Discom Reply:**

FSA/FPPA is levied strictly as per the formula approved by the Hon'ble Commission to account for variation in power purchase cost. Other levies such as electricity duty and taxes are statutory in nature and beyond the control of the utilities.

**Commission's Observations**

The Commission observes that similar objections raised by M/s FIA were also discussed in the tariff order dated 28.03.2025 (page 42 of the order). The operative part of which is reproduced as under:-

*"The Commission has carefully examined the observations of the intervener. As also pointed out by the Nigam, the petition has been duly filed in accordance with Section 61, 62 and 64 of Electricity Act 2003 read with the MYT Regulations occupying the field. In order to keep the cost and price (tariff) aligned and in line with the Electricity Act, 2003, the formula/methodology for working out FSA has been made part of the HERC MYT Regulations, 2019 including its subsequent amendments. Having said so, FSA is formula driven, it is up to the State Government to provide subsidy support to a particular class / category of consumers by taking over its FSA liability or not. In its absence, FSA is recoverable as per the relevant Regulations. Thus, the Discoms have levied FSA in accordance with the provisions of HERC MYT Regulations, in vogue. Hence, no further discussion on this issue is required."*



**The Commission notes the submissions of the Distribution Licensees that FPPAS is a statutory pass-through mechanism intended to address uncontrollable variations in power purchase costs, which are largely beyond the control of the licensees. Such adjustments are an integral component of the tariff framework and are distinct from base tariff determination. The Commission further takes note that recovery of FPPAS pertaining to recent years has been deferred without levy of any carrying cost. This deferment has resulted in increased financial pressure on the Distribution Licensees rather than the consumers.**

**The Commission observes that the levy of FSA/FPPAS does not amount to double recovery, as the base tariff is determined on normative and projected cost parameters, whereas FPPAS reflects actual variations in power purchase cost on a periodic basis. The mechanism is designed to ensure financial stability of the Distribution Licensees while avoiding frequent tariff revisions.**

**Regarding other charges such as electricity duty and municipal taxes (except tariff and FSA/FPPA):**

**The Commission has consistently observed that its mandate is limited to the determination of the electricity tariff itself. Regarding additional statutory charges, the Commission observes that the Schedule of Tariff and Charges issued by the Commission explicitly does not include Electricity Duty, Municipal Tax, or Panchayat Tax, as these are levied based on specific notifications issued by the State Government. The Commission clarifies that while it determines the base tariff and surcharges like the Fuel Surcharge Adjustment (FSA) based on the cost of supply, the application of state taxes falls outside its regulatory domain. Any request for relief or waiver of these duties and taxes must be addressed to the State Government, which has the exclusive authority to grant such concessions.**

#### **2.4.13. Tariff Structure Linked to Actual Consumption:**

**It was suggested that tariff structure and billing should better reflect actual consumption patterns, especially for consumers with fluctuating loads, and that demand charges should be rationalized accordingly.**

**Discom Reply:**

The tariff structure has been designed as per regulatory provisions to ensure equitable recovery of costs. The existing framework balances cost recovery with system requirements and is subject to approval by the Commission.

**Commission Observation:**

The Commission has taken note of the issues raised by intervenor and observed that few stakeholders and industrial associations suggested that the tariff structure should be based on actual consumption or the Maximum Demand Indicator (MDI) rather than sanctioned load, arguing that the current system penalizes efficient users and those with fluctuating loads.

However, it is pertinent to note that fixed charges are designed to recover the fixed costs of the distribution system, which are independent of actual energy consumption. The Commission observes that distribution infrastructure is planned and augmented based on contracted demand rather than short-term or monthly demand variations.

Further, to address industrial concerns regarding fluctuating loads, the DISCOMs have filed a petition for a "Flexi Load Scheme", which would allow consumers to reduce and restore load within a settlement period without depositing additional service connection charges.

**2.4.14. Rationalization of Penalties (Maximum Demand, etc.):**

Objectors submitted that maximum demand penalties are excessive and should be applied only for the specific instance or day of exceedance rather than the entire billing cycle.

**Discom Reply:**

Maximum demand charges and related provisions are necessary for maintaining grid discipline and efficient utilization of network capacity. These are applied as per tariff regulations approved by the Commission.

**Commission Observation:**

The Commission has taken note of the concerns faced by the stakeholders and industrial associations that maximum demand penalties should be applied only to specific instances of exceedance rather than the entire billing cycle. They contended that industrial units are forced to maintain higher Contract Demand (CD) simply to avoid penalties triggered by minor (+5%) overdrawals, resulting in high fixed charges even when actual consumption is low. Consequently, objectors requested that the penalty trigger be increased to +15% and

**that no penalties be levied if exceedance is caused by grid supply fluctuations or restoration events.**

**The Commission observes that the matter does not relate to ARR. However, on various occasions, the DISCOMs have highlighted the upcoming Flexible Load Reduction Scheme and the relaxation of MDI penalties, which are intended to mitigate consumer hardship while balancing system requirements.**

**2.4.15. Solar Energy and Net Metering Issues:**

Stakeholders highlighted issues in billing adjustment of rooftop solar generation and stated that expected benefits are not being realized. Suggestions were made to improve implementation, increase permissible capacity and simplify procedures.

**Discom Reply:**

Solar and net metering provisions are implemented in accordance with Government/HERC policies. Billing adjustments are carried out as per prescribed guidelines, and specific grievances can be addressed through the established consumer grievance redressal mechanism.

**Commission Observation:**

**The Commission observes that various stakeholders sought the removal of the existing capacity cap (currently up to 500 kW) for net metering, suggesting it be allowed up to the full sanctioned load or even extended to 5,000 kVA. Some concerns were raised that the expected benefits of solar generation are not being realised due to issues in billing adjustments and the non-receipt of bills based on installed net meters. Industrial consumers requested financial subsidies for the installation of rooftop solar systems.**

**The Commission observes that the matter does not relate to ARR. However, the discom are directed to examine the issues raised by the intervenors for their early resolution, considering the detailed study of feeder-level penetration limits, grid security, revenue impact on utilities and alignment with national policy. DISCOMs may also consider to file a petition, in case any amendment is required in the regulations framed by this Commission.**

**2.4.16. Transparency in Billing and Tariff Determination:**

Comments: Objectors emphasized that electricity bills should clearly display tariff slabs, applicable rates and detailed calculation to enable consumers to understand and verify billing.

**Discom Reply:**

Tariff schedules and billing methodology are approved by the Commission and are available in the public domain. Bills contain necessary details, and transparency is maintained in accordance with regulatory provisions.

**Commission Observation:**

The Commission observes that directions have already been given to discoms for simplification of bill by highlighting four major components viz. period of bill, units consumed, amount of bill and its due date. These components also need to be incorporated in the SMS being sent to consumers. The Commission has directed that bills must be provided in both English and Hindi to ensure accessibility for all consumers. The Commission also advised the DISCOMs to undertake a structured Consumer Satisfaction Index (CSI) assessment through a third-party agency, specifically measuring performance in billing services and complaint redressal.

The Commission is also of the view that all orders are uploaded on the website of the Commission and all the Sales Circulars and instructions are also uploaded immediately on the Nigam's website.

**2.4.17. Revenue Gap and Financial Prudence:**

Comments: Concerns were raised regarding large revenue gaps claimed by the utilities and their carry forward without adequate justification. Objectors requested strict scrutiny of ARR components.

**Discom Reply:**

The revenue gap has been computed based on actual financial requirements, including power purchase cost, operational expenses and past adjustments, in accordance with HERC Regulations, and is subject to prudence check by the Commission.

**Commission Observation:**

The Commission has taken note of the suggestions of the intervener and shall consider the same while examining the proposal of the Discoms, strictly in line with the MYT regulations in vogue.

**2.4.18. Non-Recovery of Outstanding Dues:**

Objectors pointed out that substantial outstanding dues from defaulters remain unrecovered and argued that such inefficiencies should not be passed on to paying consumers.

**Discom Reply:**

The utilities are undertaking continuous efforts for recovery of outstanding dues through enforcement actions and monitoring. However, tariff determination is based on overall cost requirements and supply obligations.

**Commission Observation:**

**The Commission has considered the comments filed by the intervenors and observes that in the tariff order dated 28.03.2025, a directive was given to discoms regarding the increasing trade receivables.**

In response, the DISCOMs are of the view that they are taking all necessary measures to ensure timely recovery, including regular monitoring of outstanding dues, issuance of notices and disconnection actions against industries, hospitals, shops and government departments. Utilities highlighted the success of various initiatives such as the Voluntary Disclosure Scheme (VDS) and Surcharge Waiver Schemes. The DISCOMs have been again directed to exercise strict prudence and ensure that outstanding dues from connected consumers (excluding those in court cases) do not exceed the available Advance Consumption Deposit (ACD) at any point in time. The discoms have been directed to submit a complete recovery plan of its receivables, within three months from the date of this order.

**2.4.19. Operational Inefficiencies of Utilities:**

Comments: Issues such as high AT&C losses, poor recovery mechanisms and administrative inefficiencies were highlighted, with suggestions that these be addressed before any tariff increase.

**Discom Reply:**

Various measures are being undertaken to reduce losses, improve billing and collection efficiency, and strengthen infrastructure. Continuous efforts are being made to enhance operational performance.

**Commission Observation:**

**The Commission has considered the comments filed by the intervenors. The Commission has time and again directed the Discoms for efficient and effective management and achieving operational efficiency.**

**The regulations in unequivocal terms provides that the overall aim is to incentivize better performance and penalize poor performance. The Commission had observed that Discoms are faced with huge revenue gap mainly due to substantial increase in the average power purchase cost. The Commission has taken note of the suggestions of the intervener and shall consider the same while examining the proposal of the Discoms.**

**2.4.20. Burden on Honest Consumers:**

Comments: It was submitted that tariff increases disproportionately affect honest and regular-paying consumers, while issues such as theft and non-payment remain inadequately addressed.

**Discom Reply:**

Tariff is determined on cost-of-service basis and is uniformly applicable. Issues like theft and default are being addressed separately through enforcement mechanisms.

**Commission Observation:**

**The Commission has considered the comments filed by the intervener and observes that the same has already been dealt in the preceding paras of this order. Further, as also pointed out by the Nigam, proceedings have been done in accordance with Electricity Act 2003 read with the MYT Regulations occupying the field. In order to keep the cost and price (tariff) aligned and in line with the Electricity Act, 2003, the formula/methodology for tariff determination has been made part of the HERC MYT Regulations, 2019 including its subsequent amendments. Hence, no further discussion on this issue is required.**

**2.4.21. Voltage wise and consumer category wise Cost of Service Study report**

Despite repeated directions of this Commission and also APTEL, the Discoms i.e. UHBVN and DHBVN has not filed voltage wise and consumer category wise Cost of Service Study report. In its absence, the Commission, allowed huge tariff to increase to garner about Rs. 3000 Crore to the Discoms in the FY 2025 26. The tariff hike was allowed without an application / petition from the Discoms and without providing an opportunity to the public / stakeholders to intervene in the matter.

In the FY 2026-27 petition also, it is observed that the Discoms have projected a combined revenue deficit of over Rs 4484.71 Crore, without even suggesting a methodology to bridge the said gap. Such non-compliance ought to be taken utmost seriously and no tariff should be increased behind consumers back as done in the previous financial year.

**Discoms Reply:**

As per the directions of Hon'ble HERC, the Discoms have submitted category wise Cost of Supply (CoS) for FY 2024-25 to HERC. Category wise CoS study report along with the complete back up data and detailed calculation has been uploaded on the UHBVN website (<https://www.uhbvn.org.in/web/portal/herc-petition> for inviting Public Comments on the same. This study is carried is based on Functionalization of Cost and is carried out for the AT&C Loss and Distribution loss as a whole. Functionalization is the process of dividing the total cost of the utility on the basis of the functions performed such as Power Purchase/Generation, Transmission and Distribution. It facilitates determination of function wise cost incurred in supplying power to various consumer categories. Since energy flow and system losses occur over an interconnected network, the computation of AT&C losses is also done on an overall basis to maintain technical accuracy and reflect the actual operational performance of the utility. For voltage wise cost of supply, Hon'ble Commission has taken up the matter as HERC/Petition No. 81 of 2025. Submission under these proceedings will be made separately to the Hon'ble Commission as per the timelines specified by the Commission. With respect to the tariff hike approved by the Hon'ble Commission in Tariff Order of FY 2025-26, the matter is not pertaining with the Tariff Petition filed for FY 2026-27 and concerns with the matter of Review of Tariff Order of FY 2025-26.

This is to submit that Aggregate Revenue Requirement (ARR) for the FY 2026-27 has been projected based on the provisions specified in the HERC MYT Regulations, 2024 for projecting financial and operational parameters. Revenue for FY 2026-27 has been proposed by considering the projected energy sales, as per the methodology approved by the Hon'ble Commission in past Tariff Orders and the existing retail supply tariff approved by the Hon'ble Commission in Tariff Order dtd. 28.03.2025. The revenue gap of Rs. 4,484.71 crore is due to the unrecovered revenue gap of FY 2024-25. During FY 2024-25, there was an under-recovery of revenue as the tariff was not aligned with the cost of supply. Further, this is to submit that UHBVN has been able to reduce its losses substantially over the past few years. UHBVN has significantly reduced the AT&C losses from 30.10% to 9.33% from FY 2015-16 to FY 2024-25 and is on the path to optimize its operations which will definitely result in increase in Revenue for the DISCOM. UHBVN is also continuously putting earnest endeavours to improve its operational efficiency. Accordingly, the reduction in operational cost can be one more

avenue to reduce the projected gap. Further, sustained focus on loss-reduction measures, strengthening of billing and collection mechanisms, and optimization of power purchase costs would contribute towards bridging the existing revenue gap.

**Commission's Observations :-**

**The Commission has perused the comments filed by the intervenor as well as the reply of DISCOMs thereon. The reply filed by the DISCOMs is self-explanatory; therefore; no further discussion on the same is required. However, the Commission has taken note of the suggestions of the intervener and shall consider the same while examining the proposal of the Discoms.**

**2.4.22. CAPEX DHBVN**

DHBVNL has proposed capex of Rs 2738.69 Crore as against APR of Rs.1900 Crore and True - up (2024-25) claim of Rs.1658.36 seems without any basis and clearly non-application of mind regarding integrated planning. Similarly, UHBVN has proposed Rs. 2056 Crore Capex. Capex without details of pay back, and Cost Benefit analysis is meaningless. Hence, details under each head and their impact on loss reduction, improvement in quality of supply as well as load growth ought to be provided for the interveners to Analyze and comment.

**DISCOM's reply:**

The DISCOMs submit that all capital expenditure (CAPEX) schemes proposed by the DISCOMs are after obtaining prior approval from the Hon'ble Commission on the same and are executed in strict compliance with Government and funding agency 2 guidelines. This expenditure is subject to a multi-layered oversight process, including statutory audits under the Companies Act, and subsequent regulatory verification during the Commission's prudence check at the time of True-up. It is further submitted that capital expenditure undertaken by distribution utilities is predominantly towards development and strengthening of network assets such as substations, distribution lines, transformers, metering infrastructure and IT systems. The benefits of such investments accrue over the economic life of the assets and, therefore, cannot be assessed through narrow or short-term payback metrics. These investments yield long-term system-wide benefits in the form of sustained reduction in AT&C losses, improvement in voltage profile, enhancement in reliability and continuity of supply, reduction in consumer grievances, facilitation of future load growth and compliance with the prescribed standards of performance. The contention



that capital expenditure without explicit payback or cost-benefit analysis is meaningless is misconceived. Distribution system investments are guided by principles of prudence, system necessity and long-term planning requirements, rather than project-specific commercial returns. Without prejudice, it is submitted that the Discoms have consistently demonstrated improvements in loss levels and quality of supply arising from planned capital investments, which are subjected to detailed scrutiny by the Hon'ble Commission during the True-up processes. The recovery of Capex is inherently linked to operational outcomes, and performance benefits such as reduced AT&C losses and enhanced reliability are already evaluated as part of the Capex approval process by the Hon'ble Commission.

**Commission's Observations :-**

**The Commission has perused the comments filed by the intervenor as well as the reply of DISCOMs thereon. The reply filed by the DISCOMs is self-explanatory; therefore; no further discussion on the same is required. However, the Commission has taken note of the suggestions of the intervener and shall consider the same while examining the proposal of the Discoms.**

**2.4.23. Distribution losses**

Despite huge Capex year after year DHBVN has projected Distribution Loss of 9.54% and UHBVN has projected the same for the FY 2026-27 at 9.85%. These figures are higher than their reported actual. Hence, the Discoms continue to be operationally inefficient. It does not serve any purpose to compare these figures to some figures prior to FRP and UDAY. Such losses ought not to exceed 6 to 8% with reported improvement in HT:LT ratio.

As per various ARR reports the Distribution losses for the year 2022-23 was 11.42%, for the year 2023-24 it was 11.35%. The distribution losses for the year 2024-25 achieved at 9.54 % as per para 4.4.3 of memo No 54/SE/RA 794 dated 27 Nov 2025. In the same report as per para 4.4.4 the target for the year 2026-27 is at 9.75 %. The journey of reduction of distribution losses has been one of the points projected in annual ARR discussions. Instead of reducing the Distribution Losses target further from 9.54% it is enhanced. Commission may like to examine and set a reducing target so as DHBVN puts in extra efforts to achieve same. Thus, the trajectory for reduction in losses for the ensuing financial year ought not to be lower than the level previously achieved.

**DISCOM's reply:**

The projected distribution loss of 9.85% for FY 2026-27 by UHBVN has been arrived at after due consideration of system constraints, anticipated load growth, network expansion in rural and semi-urban areas which inherently exerts pressure on loss levels. It is respectfully submitted that the actual performance of UHBVN clearly demonstrates a sustained and significant reduction in distribution losses over the years, as evident from the continuous decline from 19.01% in FY 2019-20 to 9.33% in FY 2024-25. Such improvement has been achieved alongside near-perfect collection efficiency of 100%, resulting in a commensurate reduction in AT&C losses. This clearly establishes the positive impact of systematic capital investments and operational improvements undertaken by the Discom. The assertion that distribution losses "ought not to exceed 6-8%" is generic and dissociated from the realities of the UHBVN supply area. Unlike compact urban utilities, UHBVN caters to a large geographical area with a high proportion of agricultural, rural and low-density consumers, where technical losses are structurally higher. Loss benchmarks cannot be uniformly applied without accounting for consumer mix, network length, voltage profile and terrain. Further, improvement in HT:LT ratio is a gradual process dependent on sustained capital investments in system strengthening, feeder bifurcation, substation augmentation and LT network reconfiguration. The benefits of such investments accrue over time and are already reflected in the steady decline in loss levels. In view of the above, the consistent reduction in distribution and AT&C losses, coupled with sustained collection efficiency, clearly demonstrates improved operational performance and justifies the capital investments undertaken by the Discom.

**Commission's Observations :-**

**The Commission has perused the comments filed by the intervenor as well as the reply of DISCOMs thereon. The reply filed by the DISCOMs is self-explanatory; therefore; no further discussion on the same is required. However, the Commission has taken note of the suggestions of the intervenor and shall consider the same while examining the proposal of the Discoms.**

**2.4.24. Adequate Public Participation:**

Some objectors stated that dissemination of information and public notice regarding the tariff petition were inadequate, limiting effective participation.

**Discom Reply:**

The petition has been processed with due public notice, publication and hearings in accordance with regulatory provisions, ensuring adequate opportunity for stakeholder participation.

**Commission Observation:**

The Commission has considered the comments filed by the intervener and observes that public notices were given in the leading newspapers as discussed in the preceding para of this order and hearings have been done in accordance with Electricity Act 2003 read with the MYT Regulations occupying the field. In order to keep the cost and price (tariff) aligned and in line with the Electricity Act, 2003, the formula/methodology for tariff determination has been made part of the HERC MYT Regulations, 2019 including its subsequent amendments. Hence, no further discussion on this issue is required.

**2.4.25. General Opposition to Tariff Increase:**

A majority of objectors opposed the proposed tariff hike and requested the Commission to reconsider or reject the proposal until efficiency improvements are achieved.

**Discom Reply:**

The proposed tariff is necessary for recovery of legitimate costs and for ensuring reliable and continuous power supply. The same is subject to approval by the Hon'ble Commission after considering all objections.

**Commission Observation:**

The Commission has examined the submissions of the intervener. In this regard, the Commission has observed that cost of power purchase along with other network and establishment cost has increased considerably. As a result, Haryana Discoms are struggling with accumulated FSA of Rs. 8725 crore as on 31.03.2025 (8245 crore as on 31.03.2024) and have proposed huge revenue gap in the FY 2024-25. The industries have a large contribution to the State Agrarian Economy in terms of employment, income and earnings of the farmers. Additionally, unlike industries, the domestic consumers have very limited ability to pass – on the 'input cost' including cost of electricity. Hence, some cushion ought to be provided to marginal domestic consumers without disturbing the revenue balance of the Distribution Licensee(s) in Haryana i.e. UHBVNL and DHBVNL. The Commission, while determining the retail supply tariff, also ensures that the same is based on the average cost

**of supply with a capping of +/-20%. Further, the Commission has considered the methodology/formula prescribed by the National Tariff Policy dated 28.01.2016, while working out cross-subsidy surcharge in the present Order. The Commission has, estimated cost of service based on the ibid formula, relying on the indicative consumer-category wise, voltage wise, cost of supply submitted by the two licensees.**

**Accordingly, no further discussion on this issue is required.**

## **2.5. Additional Information filed by Discoms**

The Discoms have filed the following information, in compliance to the memo 2529/HERC/No.94 of 2024 dated 02.01.2026 (UHBVNL) and memo no. 2539/HERC/No. 95 of 2025 dated 05.01.2026 (DHBVNL) issued by the Commission:

**UHBVNL has filed the response to the additional information, vide Memo No. Ch.68/RA/F-25/Vol-88 (A) dated 27.01.2026, as follows: -**

- i. Financial Statements for the FY 2024-25 is not accompanied by Audit Report of the Statutory Auditor. The same may be provided along with the Audit Report of Principal Accountant General (Audit), Haryana for the FY 2024-25.

### **UHBVNL Reply:**

The Audited Accounts for FY 2024-25 along with the Audit Report of Principal Accountant General (Audit) of Haryana has been annexed with the filing.

- ii. O&M expenses in the FY 2024-25 have been overall increased, as compared to the approved figures as per order dated 05.03.2024. The reason for increase in A&G and terminal liabilities may be explained along with substantial decrease in R&M expenses vis-à-vis approved.

### **UHBVNL Reply:**

O&M expenses have been increased mainly due to increase in terminal liability by Rs. 40.11 Cr. Terminal benefits of Rs. 450 Cr. were approved for FY 2024-25 on the basis of approved amount for FY 2023-24 in the Tariff order dated 15.02.2023 but the same has been increased due to increase in no. of pensioners (approximately 250 employees), which were earlier considered in Actuarial Valuation of HVPN but these were considered in Actuarial Valuation of UHBVN in FY 2024-25 as they retired after 01.07.1999.

Actual A&G expenses in FY 2024-25 have increased with respect to actual A&G expenses in FY 2023-24 due to increase in expenses with respect to Meter reading/Bill Distribution/Smart meters

Further, R&M expenses are at par vis-à-vis that in FY 2023-24.

- iii. A&G expenses in the FY 2024-25 have increased, as compared to the FY 2023-24 (Note 23 of audited accounts), as shown under:

| Coding | Particulars                                             | Year Ended on 31-03-25 | Year Ended on 31-03-24 | Increase in the FY 2024-25 compared to FY 2023-24 |
|--------|---------------------------------------------------------|------------------------|------------------------|---------------------------------------------------|
| 23.12  | Insurance Exp                                           | 110.29                 | 93.44                  | 16.85                                             |
| 23.15  | Legal/Consultancy /Technical fees                       | 4,156.80               | 4,102.13               | 54.67                                             |
| 23.21  | Vehicle Running and Maintenance Exp                     | 1,598.45               | 1,501.79               | 96.66                                             |
| 23.22  | Expense of Meter Reading/ Bill Distribution/Smart Meter | 8,691.43               | 7,190.02               | 1501.41                                           |
| 23.24  | Printing & Stationery Exp                               | 276.00                 | 256.33                 | 19.67                                             |
| 23.29  | Entertainment Exp                                       | 107.11                 | 93.63                  | 13.48                                             |
| 23.31  | CSR Expenditure                                         | 435.24                 | 240.48                 | 194.76                                            |
| 23.32  | Commission charges on collection of Energy Bills        | 1,189.01               | 903.63                 | 285.38                                            |
| 23.34  | Other expenses                                          | 2,578.34               | 1,787.32               | 791.02                                            |

The justification for above increase in the expenses with their complete break-up may be provided.

**UHBVNL Reply:**

There is marginal increase in the heads mentioned in the additional information requirement except expenses of Meter Reading/Bill Distribution/Smart Meter and Other expenses.

However, expenses of Meter Reading/Bill Distribution/Smart Meter have increased mainly due to increase in smart meter expenses paid to EESL i.e. Rs. 11.27 Cr. and Other expenses have increased due to increase in charges paid for maintenance of various Technical software running in UHBVN which amounts to Rs. 7.31 Cr.

- iv. Details of CSR expenditure (Rs. 4.35 crore) incurred by Discom, during the FY 2024-25. Further, note 11 of the financial statements may be explained showing the ibid expenditure and balance as on 31.03.2025. Also provide justification for inclusion of CSR expenditure, as part of A&G in the petition.

### UHBVNL Reply:

CSR expenditure of Rs. 4.35 Cr. incurred during FY 2024-25 includes CSR expenditure of Rs. 0.58 Cr. of FY 2019-20, which was unutilized within 3 years of allocation & transferred to PM care fund after 3 years of allocation. Details are as follows:

| Nature of Work/Activities                                                                                            | Amount Proposed<br>Rs. in Lacs     | Expenditure<br>during FY 2024-25 |
|----------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------------------|
| Mtc. Of Library                                                                                                      | 32.00                              | 2014272.00                       |
| Health care & Welfare by distribution various items civil hospitals/primary health centers.                          | 180.00                             | 0.00                             |
| Installation of Water coolers with RO at Govt. Schools & Situated in the Villages in the areas of UHBVNL & Hospitals | 95.00                              | 1013650.00                       |
| Badminton court in Govt. Schools/public places for promotion of sports                                               | 40.00                              | 0.00                             |
| Setting up open Gyms in the urban/Rural land of Gram Panchayat/Govt. land for the public use                         | 50.00                              | 0.00                             |
| Distribution Equipment's old age homes/Bal Bhawan/Blind School                                                       | 40.00                              | 0.00                             |
| Bank Charges                                                                                                         |                                    | 1150.50                          |
|                                                                                                                      | Total                              | 3029072.50                       |
|                                                                                                                      | Budget                             | 43605664.21                      |
| Purchase ARO with water cooler (OP) Divin Jagdhari & Karnal FY 2023-24                                               |                                    | 274453.00                        |
|                                                                                                                      | Amount transfer in Bank 02.04.2024 | 43331211.00                      |
|                                                                                                                      | Expenditure During 2024-25         | 3029072.50                       |
|                                                                                                                      | Closing Bal                        | 40302138.50                      |
|                                                                                                                      | Interest FY 2024-25                | 1110945.00                       |
|                                                                                                                      | Closing Balance upto 31.03.2025    | 41413083.50                      |

Regarding the financial statements, the bank balance has been maintained as on March, 2025 for ongoing CSR projects, operate on a 3 years' utilization cycle. The above-mentioned balance was in the CSR account on 31.03.2025 (CSR accounts) which is meant for making payments for ongoing CSR projects. The balance is not idle as it represents the budget required for the remaining years of the CSR project terms, ensuring uninterrupted implementation of approved projects.

With respect to the inclusion of CSR in A&G expenses, this is as per past practice done by the DISCOMs. The Hon'ble Commission approved CSR expenditure as part of A&G expenses in the Tariff Order dated 28.03.2025, after due prudence check. Further, the CSR activities undertaken by the Distribution Licensee are consumer-centric in nature and aimed at consumer welfare and service improvement. As per Regulatory provisions,

UHBVN has filed True-Up of FY 2024-25 wherein the DISCOM has determined net Revenue Gap of Rs. 2,495.62 Cr. Even though the DISCOM is committed to undertake CSR activities.

- v. Details of the “Note 23a -Exceptional Items” of audited accounts such as- Write back of provision for Bad & Doubtful Debts Rs. 803.69 crore and write back of Provision on unrealized surcharge Rs 192.24 crore. Provide the accounting treatment of the same. As per 18.2, page 135 of the petition a disclosure is made regarding the Ministry of Power vide Notification dated 10.10.2024 have notified the requirement of provision for Bad & Doubtful debts. As per proviso 5(ii) there is no requirement of provision for Bad & Doubtful debts in case Discom has trade receivable days less than 90 days on aggregated basis. However, as per policy of company, 100% provision has been provided on Gross trade receivable after adjusting amount of Advance consumption Deposit (ACD), interstate sales and unbilled revenue even though trade receivable are less than 90 days. Further, 100% provision have been created on pending court cases. Due to change in accounting Policy/estimate relating to provision for bad & Doubtful debts, the amount of Rs. 384.32 Cr. have been provided as provision for Bad & Doubtful debts. The excess provision amounting to Rs. 803.69 Cr. has been written back and considered as income in the exceptional items in Note No 23a.

**UHBVNL Reply:**

**Write back of provision of unrealized surcharge-**

The accounting treatment along with provisioning sample calculation of write back of provision for Bad & Doubtful Debts has been annexed with the filing depicting by Debiting the GH 46.291 (Write off Provision for unrealized Surcharge) and Crediting the GH 62.915 (Income on account of unrealized surcharge provision)

**Write back of provision for bad and doubtful debts-** Details provided in Note 18.2 of the Financial Statements.

However, as far as accounting treatment of both entries is concerned, a sample entry has been annexed with the filing depicting by Debiting the GH 23.900 (Provision for Bad & Doubtful Debts) and Crediting the GH 62.275 (Write back of provision for Bad & Doubtful Debts)

Further, due to change in accounting policy with regard to unrealized surcharge of Rs. 1922.42 Cr. it shall be write back in 10 years. Accordingly, Rs. 192.24 Cr. has been written

back in FY 2023-24 & FY 2024-25 and remaining amount of Rs. 1537.94 Cr. shall be considered proportionately as other income in the coming 8 years. However, accounting treatment of the same has been annexed with the filing.

- vi. The Commission observes that there is exceptional increase in the interest on term loan as well as working capital, as tabulated under:

| Rs. In crore                                   |                        |                      |                      |
|------------------------------------------------|------------------------|----------------------|----------------------|
| Particulars                                    | Approved<br>FY 2024-25 | Actual<br>FY 2024-25 | Actual<br>FY 2023-24 |
| Interest on CAPEX loans                        | 158.33                 | 210.06               | 192.89               |
| Interest on WC loans<br>including CC/OD limits | 126.51                 | 379.71               | 321.82               |
| Interest on HVPNL Bonds                        | -                      | 8.09                 | 10.913               |
| Interest Cost on Consumer<br>Security Deposit  | 125.18                 | 115.19               | 116.09               |
| Guarantee Fees                                 | 34.90                  | 37.60                | 71.31                |
| TOTAL                                          | 444.92                 | 750.65               | 713.023              |

The exceptional increase in interest cost needs to be explained in detail along with the data of capex and working capital loan profile sheet with interest and opening, closing, repayment and additions for FY 2024-25 (audited) and FY 2025-26 (in editable excel format).

Also provide, the details of bifurcation of interest cost as per audited accounts into long term- capex loans and working capital loans and borrowings and the purpose for which loans were obtained along with the rate of interest.

**UHBVNL Reply:**

The details of the CAPEX loans and working capital loans along with opening, closing, addition and repayment for FY 2024-25 and FY 2025-26 (Till dec'25) has been annexed with the filing.

- vii. There is a mismatch between the bifurcation of interest into capex and working capital, as per the details in the petition and balance sheet (Note no 22). The reasons for clubbing of interest on term loans and capex loan (as per audited financial statements) into interest on working capital loan.

**UHBVNL Reply:**

The interest on capex loan and working capital loan has been bifurcated separately in the balance sheet and in the True-Up Petition and there is no mismatch between two of them. The loan profile has been annexed with the filing.



- viii. Details of CAPEX actually incurred during the FY 2024-25 and their sources of funding i.e. equity, debt or consumer contribution.

Work wise details of actual capital expenditure incurred during FY 2024-25 and FY 2025-26 along with the reasons for over/under expenditure, if any, against the approved expenditure. Also, separately send work wise list where capital expenditure incurred on the works other than approved by the Commission in the FY 2024-25 and FY 2025-26 till date.

**UHBVNL Reply:**

The work wise detail of Capex in FY 2024-25 and FY 2025-26 has been annexed with the filing.

The detail of capex financing is given as under:

| Particulars                                                           | Rs in Crore |
|-----------------------------------------------------------------------|-------------|
| Total Capex of FY 2024-25                                             | 1586.51     |
| <b>Source of Financing of Capex of FY 2024-25</b>                     |             |
| Consumer Contribution                                                 | 195.71      |
| Grant under RDSS Scheme                                               | 144.08      |
| Own Contribution                                                      | 249.34      |
| Capex loan availed in FY 2024-25                                      | 830.00      |
| Capex loan availed in FY 2025-26 to meet with the Capex of FY 2024-25 | 167.38      |
| Total – Financing of Capex of FY 2024-25                              | 1586.51     |

- ix. The breakup of 926.09 MUs of combined Intrastate & Interstate transmission losses as per audited accounts for the FY 2024-25.

**UHBVNL Reply:**

It is submitted that HPPC has diligently maintained the records of unit purchased encompassing various sources of power purchase such as long-term, short-term, exchange, and others. The corresponding power available for sale has also been maintained as per energy data/account supplied by HVPNL on monthly basis and include Inter-state sale by HPPC.

The variance between unit purchased and units available for sale has been considered as transmission losses.

It is important to note that, HPPC has not maintained the bifurcation of transmission loss between intra-state and inter-state due to the non-availability of consumption data for both regions. However, a tentative bifurcation of total loss (926.09 MU) between Intrastate & Interstate has been worked out based on the transmission loss (%) i.e. 3.65%

for Interstate losses as available on NRPC site and remaining units has been considered for Intra State Losses. The detail is as under:

| Description                               | Total Units<br>(in MUs) | DHBVN<br>(in MUs) | UHBVN<br>(in MUs) |
|-------------------------------------------|-------------------------|-------------------|-------------------|
| Total Power Purchase (2024-25)            | 76481.90                | 45143.23          | 31338.67          |
| Power Purchase from outside Haryana       | 52111.229               | 30742.685         | 21368.544         |
| Power Purchase from inside Haryana        | 24370.67                | 14400.54          | 9970.12           |
| Total Losses (A)                          | <b>2257.25</b>          | <b>1331.16</b>    | <b>926.09</b>     |
| Transmission losses as per NRLDC          | <b>3.65%</b>            | <b>3.65%</b>      | <b>3.65%</b>      |
| Interstate Losses as per NRLDC @ 3.65 (B) | <b>1902.06</b>          | <b>1122.11</b>    | <b>779.95</b>     |
| Intra State Losses (A-B)                  | <b>355.19</b>           | <b>209.06</b>     | <b>146.14</b>     |

- x. It has been observed that addition to equity capital during the FY 2024-25 is Rs. 1.00 crore only. Whereas, while claiming RoE, the addition to Equity capital has been shown as Rs. 145.96 crore. Please explain the same and provide the working of Rs 145.96 crore.

**UHBVNL Reply:**

Additional equity has been claimed as per the Regulatory provisions stipulated in HERC MYT Regulations 2019 and earlier Tariff Orders based on the capitalisation and consumer contribution & grant received during the year.

Capitalization during FY 2024-25 has been Rs. 1,069.57 Cr., details of which are as follows:

| Particulars                   | Amount (Rs. Cr.)         |
|-------------------------------|--------------------------|
| Consumer Contribution & Grant | 339.79                   |
| Equity                        | 145.96 (20% of Total-CC) |
| Debt                          | 583.82 (80% of Total-CC) |
| <b>Total</b>                  | <b>1,069.57</b>          |

Further, out of total CAPEX of Rs. 1586.51 Cr. for FY 2024-25, own contribution of UHBVN has been of Rs. 249.34 Cr.

The detailed working of RoE based on the additional equity for FY 2024-25 has been annexed with the filing.

- xi. Detail/bifurcation of other expenses (Rs. 25.78 crore), Commission charges on collection of Energy Bills (Rs 11.89 crore), Expense of Meter Reading/ Bill Distribution/Smart Meter (Rs 86.91 crore) and legal/consultancy/technical fees (Rs 41.57 crore) included in note no. 23 of the financial statements.

**UHBVNL Reply:**

The desired information is submitted in the following table:

| Description                                           | Amount in Cr. |
|-------------------------------------------------------|---------------|
| Director's sitting Fees                               | 0.07          |
| Expenditure of sports activity organized by the Nigam | 0.80          |
| Charges for computerization.                          | 14.39         |
| Training Expenditure                                  | 2.73          |

|                                                                                 |                      |
|---------------------------------------------------------------------------------|----------------------|
| Payment of testing/checking and sealing of meters to contractor                 | 1.17                 |
| Penalty imposed on Nigam by Hon'ble HERC/CGRF/Courts etc.                       | 0.22                 |
| Miscellaneous expenses.                                                         | 3.68                 |
| Expenses for updation of delta changes in Geographical Information System (GIS) | 0.08                 |
| GST Expenditure (Reverse Charge Mechanism)                                      | 0.70                 |
| Expense Against Refund of Penalty and others                                    | 1.39                 |
| Other freights .                                                                | 0.37                 |
| GST/Penalty/Interest on Legal Services paid for FY 2017-18                      | 0.18                 |
| <b>Total Amount</b>                                                             | <b>25.78</b>         |
| <b>Description</b>                                                              | <b>Amount in Cr.</b> |
| Commission charges on collection of Energy Bills                                | 11.89                |
| <b>Description</b>                                                              | <b>Amount in Cr.</b> |
| Expenses on Smart Meter paid to EESL                                            | 58.09                |
| Service charges for meter reading.                                              | 22.23                |
| Service charges for bill distribution                                           | 3.70                 |
| Expenditure for Providing Bijli Suvidha Kendra                                  | 2.89                 |
| <b>Total Amount</b>                                                             | <b>86.91</b>         |
| <b>Description</b>                                                              | <b>Amount in Cr.</b> |
| Professional Charges                                                            | 0.39                 |
| Legal charges                                                                   | 12.22                |
| Audit fees                                                                      | 0.15                 |
| Consultancy charges                                                             | 4.13                 |
| Technical fees                                                                  | 24.68                |
| <b>Total Amount</b>                                                             | <b>41.57</b>         |

- xii. Detail of following expenses booked under the “Expenditure due to other debits” of Rs 18.0643 crore in Note no 23 (Other debits) of Audited accounts along with the justification of why it should be allowed in ARR.

|                                     |             |
|-------------------------------------|-------------|
|                                     | (in crores) |
| Miscellaneous losses and write off. | 11.26       |
| Provision against other receivables | 6.81        |

#### UHBVNL Reply:

This is to submit that the details of Provision against other receivables of Rs. 6.81 Cr. is as follows. The same is shown in Note 31 of the Accounts.

| Account Code | Description                                    | Rs. in Cr.  |
|--------------|------------------------------------------------|-------------|
| 28.401       | Recoverable from employee                      | 0.13        |
| 28.870       | Amount recoverable for want of proper sanction | 2.43        |
| 22.771       | Provision for Impairment Loss                  | 3.92        |
| 28.872       | Theft of property pending investigation        | 0.33        |
|              | <b>Total</b>                                   | <b>6.81</b> |

Further, Rs. 11.26 Cr. pertains to Miscellaneous losses and actual write off which amounts to Rs. 4.64 Cr. and Loss on sale of scrap amounting to Rs. 6.62 Cr.

This is to submit that the above expenses have been claimed as per the Regulatory provisions stipulated in HERC MYT Regulations 2019 and earlier Tariff Petitions.

- xiii. Actual subsidy received from State Govt. in FY 2024-25 and reasons of shortfall/unpaid subsidy and efforts made by Discoms to recover the same from State Government in accordance with section 65 of the EA Act 2003.

Note 18 of audited accounts- Revenue from Operations, provides for revenue subsidy accounted in books of accounts as under:

| Revenue Subsidy as per balance sheet                             | Amount (in Crore) |
|------------------------------------------------------------------|-------------------|
| Subsidy from State Govt. for Agriculture Consumers               | 2866.872          |
| Subsidy from State Govt. for Other Consumers                     | 2.43              |
| Subsidy from State Govt. for Domestic Consumers                  | 106.86            |
| Revenue Subsidy from Industry Department for Industrial Consumer | 51.737            |
|                                                                  | 3027.899          |

The details of subsidy receipt from the State Govt. of Haryana for FY 2024-25 are summarized as follows:

| (Rs Crores) |                                                 |          |
|-------------|-------------------------------------------------|----------|
| Sr. No.     | Particulars                                     | Amount   |
| 1           | Subsidy for Agriculture Category                | 2,589.40 |
| 2           | Subsidy for Domestic Category & Other consumers | 161.03   |
| 3           | Total Subsidy Receipt                           | 2,750.43 |

Further, as per note 26, additional disclosure, Subsidy payable is Rs 3027.90 crore and subsidy received is Rs 2536.82 crore.

#### UHBVNL Reply:

The detail of subsidy booked and received from the State Government is as follows. It is pertinent to mention here that subsidy of ₹2589.40 crore shown in the ibid HERC letter at point no. 13 is AP subsidy booked pertaining to FY 2024-25 against which AP Subsidy of Rs. 2337.97 crore was received during the FY 2024-25.

| Particulars                                             | Remarks                          | Subsidy booked | Subsidy received | Subsidy receivable as on 31.03.2025 | Subsidy received during FY 2025-26 against receivables | Subsidy withdrawn in FY 2025-26 | Subsidy receivable as on 31.12.2025 |
|---------------------------------------------------------|----------------------------------|----------------|------------------|-------------------------------------|--------------------------------------------------------|---------------------------------|-------------------------------------|
| Subsidy from State Government for Agriculture Consumers | AP Subsidy of FY 2024-25         | 2589.40        | 2337.97          | 251.43                              | 170.98                                                 | 0.00                            | 80.45                               |
|                                                         | True up AP subsidy of FY 2022-23 | 182.20         | 182.20           | 0.00                                | 0.00                                                   | 0.00                            | 0.00                                |
|                                                         | True up AP subsidy of            | 82.97          | 0                | 82.97                               | 0.00                                                   | 82.97                           | 0.00                                |

| Particulars                                                                    | Remarks                                                                | Subsidy booked | Subsidy received | Subsidy receivable as on 31.03.2025 | Subsidy received during FY 2025-26 against receivables | Subsidy withdrawn in FY 2025-26 | Subsidy receivable as on 31.12.2025 |
|--------------------------------------------------------------------------------|------------------------------------------------------------------------|----------------|------------------|-------------------------------------|--------------------------------------------------------|---------------------------------|-------------------------------------|
|                                                                                | FY 2021-22 (*)                                                         |                |                  |                                     |                                                        |                                 |                                     |
|                                                                                | Interest on true up AP subsidy of FY 2021-22 (*)                       | 12.30          | 0                | 12.30                               | 0.00                                                   | 12.30                           | 0.00                                |
| <b>Total AP Subsidy</b>                                                        |                                                                        | <b>2866.87</b> | <b>2520.17</b>   | <b>346.70</b>                       | <b>170.98</b>                                          | <b>95.27</b>                    | <b>80.45</b>                        |
| Subsidy from State Government for Other Consumers                              | Gaushala Subsidy                                                       | 2.43           | 1.37             | 1.06                                | 0.00                                                   | 0.00                            | 1.06                                |
| Subsidy from State Government for Domestic Consumers                           | Subsidy for waiver of Monthly Minimum Charges (MMC) in FY 2024-25 (**) | 106.86         | 0                | 106.86                              | 5.00                                                   | 50.43                           | 51.43                               |
| Revenue Subsidy from Industrial Department Government for Industrial Consumers |                                                                        | 51.74          | 15.28            | 36.46                               | 0.00                                                   | 0.00                            | 36.46                               |
| <b>Total</b>                                                                   |                                                                        | <b>3027.90</b> | <b>2536.82</b>   | <b>491.08</b>                       | <b>175.98</b>                                          | <b>145.70</b>                   | <b>169.40</b>                       |

\* State Government has requested to meet with this expenditure from its own sources.

\*\* MMC subsidy of ₹ 50.43 crore withdrawn based on actual audited subsidy of ₹ 56.43 crore allowed by the UHBVNL in FY 2024-25

- xiv. As per audited accounts, Note 10 -Other Current Assets state the amount recoverable amounting to Rs 3963.05 crore. Please provide the reasons and detail of the same:

(Amount in Crores)

|                                                        |          |
|--------------------------------------------------------|----------|
| Amount recoverable from consumers of FSA (FY- 2022-23) | 1,241.67 |
| Amount recoverable from consumers of FSA (FY- 2023-24) | 1,301.88 |
| Amount recoverable from consumers of FSA (FY- 2024-25) | 579.48   |
| FSA recoverable from State Govt. Energy Department     | 348.95   |

|                                                 |          |
|-------------------------------------------------|----------|
| Amount recoverable from industries Department   | 36.45    |
| Amount recoverable for subsidy from State Govt. | 454.62   |
|                                                 | 3,963.05 |

Further, Note-10 of the audited accounts provides FSA recoverable for the FY 2024-25 as Rs. 579.48 crore, whereas, the petition as well as Note-27.2 of the audited accounts provides that a provision for the same has been made at Rs. 689.98 crore.

Please explain and reconcile the figures.

**UHBVNL Reply:**

This is to submit that the amount recoverable from consumers pertaining to FSA for the period FY 2022-23 to FY 2024-25 is the amount that has been made part of the Income on accrual basis and to be recovered from the consumers. Currently, FSA is being levied on the consumers at the rate of 47 paise/kWh.

Further, Rs. 689.98 Cr. includes Rs. 110.50 Cr. i.e. FSA recoverable from state govt. and it is booked under a separate head in balance sheet. The status of FSA booked on accrual basis and its realization of FY 2022-23 to FY 2025-26 (up to 30.09.2025) is as under:

| Particular                                                                   | FY 2022-23    | FY 2023-24     | FY 2024-25    |
|------------------------------------------------------------------------------|---------------|----------------|---------------|
| FSA Recoverable from Consumers as on 31.03.2025                              | 1241.67       | 1301.87        | 579.48        |
| Less: Assessment/Receipt from consumers during 1st Half Year of FY 2025-26   | 473.59        | -              | -             |
| <b>Net Balance receivable as on 30.09.2025</b>                               | <b>768.08</b> | <b>1301.87</b> | <b>579.48</b> |
| Particular                                                                   | FY 2022-23    | FY 2023-24     | FY 2024-25    |
| FSA Recoverable from State Govt. as on 31.03.2025                            | 101.20        | 137.25         | 110.50        |
| Less: Assessment/Receipt from State Govt. during 1st Half Year of FY 2025-26 | 35.21         | 33.78          | -             |
| <b>Net Balance receivable as on 30.09.2025</b>                               | <b>65.99</b>  | <b>103.47</b>  | <b>110.50</b> |

- xv. Details of year-wise and head-wise subsidy receivable from the State Government, as on 31.03.2025 and as on 31.12.2025.

**UHBVNL Reply:**

The Detail of year wise and head wise subsidy receivable from the State Government as on 31.03.2025 and as on 31.12.2025 is as follows:

| Particulars                                                                    | Remarks                                                                | Subsidy booked | Subsidy received | Subsidy receivable as on 31.03.2025 | Subsidy received during FY 2025-26 against receivables | Subsidy withdrawn in FY 2025-26 | Subsidy receivable as on 31.12.2025 |
|--------------------------------------------------------------------------------|------------------------------------------------------------------------|----------------|------------------|-------------------------------------|--------------------------------------------------------|---------------------------------|-------------------------------------|
| Subsidy from State Government for Agriculture Consumers                        | AP Subsidy of FY 2024-25                                               | 2589.40        | 2337.97          | 251.43                              | 170.98                                                 | 0.00                            | 80.45                               |
|                                                                                | True up AP subsidy of FY 2022-23                                       | 182.20         | 182.20           | 0.00                                | 0.00                                                   | 0.00                            | 0.00                                |
|                                                                                | True up AP subsidy of FY 2021-22 (*)                                   | 82.97          | 0                | 82.97                               | 0.00                                                   | 82.97                           | 0.00                                |
|                                                                                | Interest on true up AP subsidy of FY 2021-22 (*)                       | 12.30          | 0                | 12.30                               | 0.00                                                   | 12.30                           | 0.00                                |
| <b>Total AP Subsidy</b>                                                        |                                                                        | <b>2866.87</b> | <b>2520.17</b>   | <b>346.70</b>                       | <b>170.98</b>                                          | <b>95.27</b>                    | <b>80.45</b>                        |
| Subsidy from State Government for Other Consumers                              | Gaushala Subsidy                                                       | 2.43           | 1.37             | 1.06                                | 0.00                                                   | 0.00                            | 1.06                                |
| Subsidy from State Government for Domestic Consumers                           | Subsidy for waiver of Monthly Minimum Charges (MMC) in FY 2024-25 (**) | 106.86         | 0                | 106.86                              | 5.00                                                   | 50.43                           | 51.43                               |
| Revenue Subsidy from Industrial Department Government for Industrial Consumers |                                                                        | 51.74          | 15.28            | 36.46                               | 0.00                                                   | 0.00                            | 36.46                               |
| <b>Total</b>                                                                   |                                                                        | <b>3027.90</b> | <b>2536.82</b>   | <b>491.08</b>                       | <b>175.98</b>                                          | <b>145.70</b>                   | <b>169.40</b>                       |

Further, State Government has been requested to provide the supplementary budget during the FY 2025-26 in the 2nd supplementary budget estimates so that State Government may be requested to release the pending subsidy.

- xvi. Accounting treatment in the financial statements, in respect of subsidy amounting to Rs. 2.43 crore received from National Electricity Fund (NEF) on account of interest paid to REC. Please also explain the nature of this interest and the purpose of loan.

**UHBVNL Reply:**

Interest subsidy of ₹2.43 crore under National Electricity Fund (NEF) scheme of FY 2023-24 was received from the Ministry of Power (MoP) through REC Limited during FY 2024-25.

This interest subsidy is allowed on the old capex schemes covered under NEF schemes. The interest subsidy received during the FY 2024-25 from the MoP has been reduced from the capex interest booked during the FY 2024-25 on loan from REC Limited.

- xvii. As per note 28 of audited accounts, the accounting policy on delayed payment surcharge has been changed from actual realization to accrual basis. The effect of change in accounting policy has been taken prospectively. Please provide the financial impact and reason for the same

**UHBVNL Reply:**

As per the Companies Act, 2013 (Section 128), all companies must maintain their books of account on the accrual basis of accounting. In line with the same the accounting policy of the company has been changed and there is no financial impact due to this change.

- xviii. As per note 28 of audited accounts, it is stated that 512547 number Renewable Energy Certificates have been sold during the FY 2024-25 on which profit of Rs. 17.64 Cr. has been booked as other income under sub code 19.5. Please provide the detailed calculation of above transaction.

Corresponding entry in revenue for the Renewable Energy Certificate (Rs. 2.30 crore), shown in note 4 of the financial statements.

**UHBVNL Reply:**

It is submitted that the calculation of REC sold during 2024-25 is as under:

(Rs. Crore)

|                                                                 |                           |              |
|-----------------------------------------------------------------|---------------------------|--------------|
| Nos of REC Sold                                                 | A                         | 512547       |
| Sale price per REC (Rs./certificate)                            | B                         | 350          |
| Amount of sale of REC                                           | $C=A*B$                   | 17.94        |
| GST @18%                                                        | $D=C*18\%$                | 3.23         |
| <b>Gross amount</b>                                             | <b><math>E=C+D</math></b> | <b>21.17</b> |
| Expenses on account of REC issuance charges/fee @5.90/- per REC | $F=A*5.90/-$              | 0.30         |
| GST paid on sale of REC to GST Deptt.                           | $G=D$                     | 3.23         |
| Total Expense occurred                                          | $H=F+G$                   | 3.53         |
| <b>Net difference between sale &amp; expenses of REC</b>        | <b><math>I=E-H</math></b> | <b>17.64</b> |

- xix. Regarding power purchase, please provide the following:
- a. Details of Short-term power purchased from power exchanges, in the FY 2024-25 and FY 2025-26 till date (in MUs and in Rs.) as well as minimum rate, maximum rate and average rate at which such power was procured.



**UHBVNL Reply:**

It is submitted that the desired information is tabulated as under and the detailed excel has been annexed with the filing.

| 2024-25          |                 |               | 2025-26 (upto Nov-25) |                 |               |
|------------------|-----------------|---------------|-----------------------|-----------------|---------------|
| Quantum (in MUs) | Amount (in Rs.) | Rate per unit | Quantum (in MUs)      | Amount (in Rs.) | Rate per unit |
| 1050.71          | 596.21          | 5.67          | 545.38                | 226.06          | 4.15          |

Further, the minimum rate, maximum rate and average rate at which such power was procured is as under:

| Year                  | Minimum | Maximum | Average Landed Cost |
|-----------------------|---------|---------|---------------------|
| 2024-25               | 0.35    | 10.00   | 5.86                |
| 2025-26 (Upto Dec 25) | 0.70    | 10.00   | 4.10                |

- b. Details of Short-term power purchased under bidding, in the FY 2024-25 and FY 2025-26 till date (in MUs and in Rs.) as well as minimum rate, maximum rate and average rate at which such power was procured.

**UHBVNL Reply:**

It is submitted that the desired information is tabulated as under and the detailed excel has been annexed with the filing.

| 2024-25          |                     |               | 2025-26 (upto Nov-25) |                 |               |
|------------------|---------------------|---------------|-----------------------|-----------------|---------------|
| Quantum (in Mus) | Amount (in Rs. Cr.) | Rate per unit | Quantum (in Mus)      | Amount (in Rs.) | Rate per unit |
| 6965.46          | 4,554.71            | 6.54          | 4872.36               | 2,982.28        | 6.12          |

Further, the minimum rate, maximum rate and average rate at which such power was procured is as under:

| Year                  | Minimum | Maximum | Average |
|-----------------------|---------|---------|---------|
| 2024-25 (NIT-108,110) | 6.20    | 9.09    | 6.79    |
| 2024-25 (NIT-115)     | 6.30    | 8.22    | 7.32    |
| 2025-26 (Upto Dec 25) | 5.99    | 7.50    | 5.87    |

- c. Details of Medium-term power purchased under bidding, in the FY 2024-25 and FY 2025-26 till date (in MUs and in Rs.) as well as minimum rate, maximum rate and average rate at which such power was procured.

**UHBVNL Reply:**

It is submitted that the desired information is tabulated as under and the detailed excel has been annexed with the filing.

| 2024-25          |                    |               | 2025-26 (upto Nov-25) |                    |               |
|------------------|--------------------|---------------|-----------------------|--------------------|---------------|
| Quantum (in Mus) | Amount (in Rs.Cr.) | Rate per unit | Quantum (in Mus)      | Amount (in Rs.Cr.) | Rate per unit |
| 7488.42          | 4,609.71           | 6.16          | 6861.60               | 3,828.94           | 5.58          |

- d. Energy sold in power exchanges during FY 2024-25 and FY 2025-26 till date (in MUs and in Rs.) as well as minimum rate, maximum rate and average rate at which such power was sold.

**UHBVNL Reply:**

It is submitted that the desired information is tabulated as under and the detailed excel has been annexed with the filing.

| 2024-25          |                    |               | 2025-26 (upto Nov-25) |                    |               |
|------------------|--------------------|---------------|-----------------------|--------------------|---------------|
| Quantum (in Mus) | Amount (in Rs. Cr) | Rate per unit | Quantum (in Mus)      | Amount (in Rs.Cr.) | Rate per unit |
| 4721.91279       | 2,248.17           | 4.76          | 3578.107743           | 1,357.04           | 3.79          |

Further, the minimum rate, maximum rate and average rate at which such power was procured is as under:

| Year                  | Minimum | Maximum | Average Landed Cost |
|-----------------------|---------|---------|---------------------|
| 2024-25               | 0.73    | 10.00   | 4.76                |
| 2025-26 (Upto Dec 25) | 0.02    | 10.00   | 3.97                |

- e. Details of Energy sold in power exchanges during FY 2024-25 and FY 2025-26 till date (in MUs and in Rs.), during the period for which medium term and short-term power was got approved from the Commission.

**UHBVNL Reply:**

It is submitted that the details of the desired information has been annexed with the filing.

- f. Details of backing down of power tied up under long term and Medium term PPA.

**UHBVNL Reply:**

Block wise day wise details of backing down of power tied up under long term and Medium term PPA at Haryana level has been annexed with the filing.

- g. Total power purchase quantum of discoms during the FY 2024-25 was 76481.74 MUs. Discoms need to provide the energy balance details of the same, showing the quantum sold out of the same.

**UHBVNL Reply:**

It is submitted that energy balance at Haryana level is as follows:

| Particulars                                  | Units | FY 2024-25 |
|----------------------------------------------|-------|------------|
| Total Power purchase                         | Mus   | 76,481.74  |
| Sale outside the State including Banking &UI | Mus   | 6,562.16   |
| Purchase for sale within the state (1-2)     | Mus   | 69,919.74  |
| Less Transmission losses                     | Mus   | 2,257.25   |
| Transmission Losses                          | %age  | 3.23%      |

|                          |             |                  |
|--------------------------|-------------|------------------|
| Power available for sale | Mus         | 67,662.49        |
| <b>Total Sales</b>       | <b>Mus</b>  | <b>60,978.54</b> |
| <b>Distribution Loss</b> | <b>%age</b> | <b>9.88%</b>     |
| <b>Distribution Loss</b> | <b>MUs</b>  | <b>6,683.95</b>  |

This is to submit that Energy Balance of UHBVN has been submitted in the True-Up Petition for FY 2024-25 in Table 2-5.

- h. Details of open access charges of Rs. 247.31 crore paid during the FY 2024-25 along with justification for the same.

**UHBVNL Reply:**

It is submitted that the detail of Open Access charge has been annexed with the filing. Further, it is intimated that Open Access charges was reimbursed to the Medium-term power purchase & Short-term power purchase firms due to following reasons:

**Medium term:** The amount paid towards open access charges resulted from congestion in the transmission corridor during peak season. This congestion occurred because the availability of General Network Access (GNA) was insufficient to meet the high electricity demand of the peak/ summer season.

**Short term:** The amount paid towards open access charges to short term firms on account of power scheduled under TGNA.

- i. Details of prior period cost – UHBVNL Rs 719.67 crore and DHBVNL Rs. 1063.78 crore (Total: Rs. 1783.45 crore), included in the power purchase cost for the FY 2024-25, along with the proper reason & justification for the same (Note 20 of audited accounts)

**UHBVNL Reply:**

The desired information has been annexed with the filing detailing project wise month wise payment details of prior period costs considered during FY 2024-25. The main reasons of the same was revision of Annual Fixed Cost, Variable cost, and Change in Law etc. as per the orders of CERC and HERC.

- j. Actual Power purchase Cost excel sheet with quantum and sources along with fixed and variable cost, also stating inter and intra generation, for FY 2024-25, FY 2025-26 and projected for FY 2026-27.

**UHBVNL Reply**

MIS Sheet consisting actual Power purchase Cost (fixed and variable cost), quantum (Schedule energy), sources and stating inter and intra generation, for the period 2024-

25 & 2025-26 (upto Nov-25) and Projection for FY 2026-27 has been annexed with the filing.

- k. Total power purchase during the FY 2024-25 has been given as 76481.74 Mus. Further, the same has been bifurcated into UHBVNL as 31388.67 Mus and DHBVNL as 45143.23 Mus, aggregating to 76531.90 Mus. Thus, a difference of 50 Mus (76481.74 minus 76531.90) need to be explained.

**UHBVNL Reply:**

It is submitted that the details of Power purchase units are as under:

Total Power Purchase 76481.89 MUs

UHBVN power purchase - 31338.66 MUs

DHBVN power purchase - 45143.23 MUs

So, there is no difference in DISCOM wise bifurcation and at Haryana level.

There has been typo in Energy Balance Table 2-5 of the Tariff Petition where in Power Purchase of UHBVN has been mentioned as 31,388.67 MU. However, the correct Quantum has been shown in Table 2-3 of the Petition.

- xx. Consumer category wise, fixed charges recovered during the FY 2025-26. Also provide, the impact on the fixed charges recoverable by UHBVNL, in case the same are levied based on the actual load/MDI (maximum demand indicator) load instead of sanctioned contract demand/connected load. An impact on the fixed charges may also be provided, in case the same are levied on Domestic consumers having consumption exceeding 500 units.

**UHBVNL Reply:**

The Consumer category wise, fixed charges details if levied on MDI other than Connected load is tabulated below along with Fixed charges levied on Domestic consumers having consumption exceeding 500 units.

| Category | Fixed Charges on Connected load (Rs. Cr) | Fixed Charges on MDI (Rs. Cr) | FC if MONTHLY CONSUMPTION (DS) >500 UNITS (Rs. Cr) |
|----------|------------------------------------------|-------------------------------|----------------------------------------------------|
| BLDS     | 3.81                                     | 3.69                          | -                                                  |
| BULK     | 23.85                                    | 8.61                          | -                                                  |
| DS       | 122.62                                   | 105.89                        | 56.68                                              |
| HT       | 848.27                                   | 471.63                        | -                                                  |
| LIIR     | 5.93                                     | 0.19                          | -                                                  |
| LT       | 131.06                                   | 81.68                         | -                                                  |
| NDS      | 211.93                                   | 126.70                        | -                                                  |
| PWW      | 47.95                                    | 33.21                         | -                                                  |

|                    |                 |               |              |
|--------------------|-----------------|---------------|--------------|
| RAIL               | 1.97            | 0.89          | -            |
| <b>Grand Total</b> | <b>1,397.39</b> | <b>832.50</b> | <b>56.68</b> |

xxi. The following information for the FY 2024-25 may be provided, in line with Regulation 67.3 of MYT regulation 2024:

i) Category-Wise Break up of Revenue Billed

1. Fixed Charges,
2. Energy Charges,
3. Fuel Adjustment Surcharge etc.

ii) Category-wise Revenue Collected and billed

Also Note 26.2- Details of revenue from Sale of Energy table stating category wise sale be provided in editable soft copy.

**UHBVNL Reply:**

The desired information for consumer category wise, fixed charges recovered during the FY 2024-25 is as follows:

| Sub Category        | Unit Sold (Mus)  | SOP              | Fixed Charges | Theft        | Total in Cr.     |
|---------------------|------------------|------------------|---------------|--------------|------------------|
| Domestic            | 7882.76          | 3235.51          | 0.00          | 23.50        | 3259.01          |
| HT                  | 9347.72          | 6536.06          | 650.03        | 0.30         | 7186.40          |
| LT                  | 2772.85          | 1817.57          | 94.23         | 0.00         | 1911.80          |
| Agriculture         | 4032.34          | 103.80           | 0.00          | 0.00         | 103.80           |
| Bulk Supply         | 430.29           | 280.37           | 18.54         | 0.00         | 298.91           |
| Street Light        | 68.76            | 53.53            | 0.00          | 0.00         | 53.53            |
| Public water works  | 612.94           | 456.38           | 45.18         | 0.00         | 501.55           |
| Agro Industries/FPO | 7.13             | 3.13             | 0.00          | 0.00         | 3.13             |
| Lift Irrigation     | 44.75            | 33.61            | 5.69          | 0.00         | 39.29            |
| <b>Total</b>        | <b>25,199.54</b> | <b>12,519.95</b> | <b>813.66</b> | <b>23.81</b> | <b>13,357.42</b> |

This is to submit that the Fuel Surcharge Adjustment (FSA) has been considered on Accrual basis in the Accounts

Details of Category-wise Revenue Collected and billed is as follows.

| Connected    | Opening 1.4.24 | Assessment      | Realization     |                |                   | Closing 31.03.25 Amount in Cr. |
|--------------|----------------|-----------------|-----------------|----------------|-------------------|--------------------------------|
|              |                |                 | Normal          | Arrear         | Realization Total |                                |
| SOP          | 1,041.16       | 13,300.23       | 11276.97        | 2378.14        | 13,655.12         | 686.27                         |
| FSA          | 12.23          | 831.42          | 717.16          | 71.71          | 788.87            | 54.78                          |
| ED           | 268.74         | 198.27          | 163.54          | 21.40          | 184.94            | 282.07                         |
| MT           | 124.36         | 153.90          | 134.81          | 15.63          | 150.44            | 127.82                         |
| SC           | 708.34         | 242.96          | 238.24          | 41.15          | 279.39            | 671.91                         |
| PT           | 50.60          | 127.92          | 105.41          | 5.55           | 110.96            | 67.57                          |
| <b>Total</b> | <b>2205.43</b> | <b>14854.70</b> | <b>12636.13</b> | <b>2533.59</b> | <b>15169.73</b>   | <b>1890.41</b>                 |

- xxii. The provision for Terminal benefits in the FY 2024-25 has increased to Rs. 490.11 crore as against the approved amount of Rs. 450 Crore. In this regard, UHBVNL may provide details of actual terminal benefits paid by the Trust to employees as well as funding of provisioning of Rs. 490.11 crore by UHBVNL to the Trust. Also provide, the copy of Income Tax Returns for the FY 2023-24 & 2024-25 along with computation sheets.

**UHBVNL Reply:**

The desired information of actual terminal benefits is placed below:

| Particular                                                                | Amount (Cr.) |
|---------------------------------------------------------------------------|--------------|
| Actual Terminal benefits paid during the Year FY 2024-25                  | 12.90        |
| Funding of provisioning against Rs. 490.11 Cr. by UHBVN (till 31.12.2025) | 218.68       |

The copy of Income Tax Returns for the FY 2023-24 & 2024-25 along with computation sheets has been annexed with the filing.

- xxiii. Details of Impact of variation in capitalization (Rs. 16.61 crore), considered while computing revenue gap for the FY 2024-25. Provide details and justification for the same.

**UHBVNL Reply:**

This point pertains to DHBVN.

- xxiv. A reconciliation of FSA recoverable booked in the financial statements for the FY 2022-23, FY 2023-24 and FY 2024-25 year-wise recovery made since then and closing balance as on 31.03.2025. Further, the FSA recovered for the FY 2022-23, FY 2023-24, FY 2024-25 and FY 2025-26 from 01.04.2025 to 30.12.2025, may also be provided. A concrete recovery plan in respect of balance FPPAS recoverable, separately for the FY 2022-23, FY 2023-24, FY 2024-25 and FY 2025-26 including the efforts made by the Discoms to achieve the recovery plan.

**UHBVNL Reply:**

The status of FSA booked on accrual basis and its realization of FY 2022-23 to FY 2025-26 (up to 30.09.2025) is as under:

| Particular                                                                 | FY 2022-23    | FY 2023-24     | FY 2024-25    |
|----------------------------------------------------------------------------|---------------|----------------|---------------|
| FSA Recoverable from Consumers as on 31.03.2025                            | 1241.67       | 1301.87        | 579.48        |
| Less: Assessment/Receipt from consumers during 1st Half Year of FY 2025-26 | 473.59        | -              | -             |
| <b>Net Balance receivable as on 30.09.2025</b>                             | <b>768.08</b> | <b>1301.87</b> | <b>579.48</b> |

  

| Particular                                        | FY 2022-23 | FY 2023-24 | FY 2024-25 |
|---------------------------------------------------|------------|------------|------------|
| FSA Recoverable from State Govt. as on 31.03.2025 | 101.20     | 137.25     | 110.50     |

|                                                                              |              |               |               |
|------------------------------------------------------------------------------|--------------|---------------|---------------|
| Less: Assessment/Receipt from State Govt. during 1st Half Year of FY 2025-26 | 35.21        | 33.78         | -             |
| <b>Net Balance receivable as on 30.09.2025</b>                               | <b>65.99</b> | <b>103.47</b> | <b>110.50</b> |

Currently, FSA for the FY2022-23 is being levied @47 paise/unit. Further, the recovery of FSA for FY 2023-24 and FY 2024-25 is under consideration by the competent authority and the same will be submitted to the Hon'ble Commission in due course of time.

- xxv. Detailed break-up of other income amounting to Rs 84.72 crore and Misc Charges from Consumers Rs 14.21 crore considered as non-tariff income during true up may be provided. Also provide the details and reasons for non-inclusion of Rebate on power purchase payments (Rs 128.18 crore), Delayed payment surcharge from consumers (Rs 401.50 crore) and early payment rebate from suppliers/ contractors (Rs 12.69 crore) in the true-up for the FY 2024-25, needs to be explained.

Further, details of late payment surcharge forming part of power purchase cost, paid to power producers may be provided.

#### **UHBVNL Reply:**

The detailed break up of other income and Miscellaneous charges from consumers is as follows:

| <b>Description</b>                                                                            | <b>Amount in Cr.</b> |
|-----------------------------------------------------------------------------------------------|----------------------|
| Interest for excess GPF payment made over actuarial valuation in respect of allotted employee | 35.09                |
| Licence Fees from Staff in Residential Colonies                                               | 0.45                 |
| Income from RTI fees                                                                          | 0.02                 |
| Other Income.                                                                                 | 0.07                 |
| Recovery against Shortage/Breakages in Distribution T/Fs                                      | 8.82                 |
| Profit on sale of REC Certificate                                                             | 17.64                |
| Sale of scrap                                                                                 | 1.75                 |
| Sale of tender forms                                                                          | 0.63                 |
| Registration/Empanelment Fees                                                                 | 0.13                 |
| Income from rent                                                                              | 0.07                 |
| Commission for collection of Municipal Taxes                                                  | 7.53                 |
| Commission of Collection of Worker Welfare Cess                                               | 0.02                 |
| Departmental Charges on Deposit Work                                                          | 7.31                 |
| Supervision Charges                                                                           | 5.01                 |
| Other inspection charges and processing charges                                               | 0.15                 |
| Rental Income from Nigam LT Poles                                                             | 0.04                 |
| <b>Total Amount</b>                                                                           | <b>84.72</b>         |

| <b>Description</b>                                   | <b>Amount in Cr.</b> |
|------------------------------------------------------|----------------------|
| Application processing charges                       | 4.91                 |
| Reconnection charges                                 | 0.10                 |
| Meter Inspection, CT/PT inspection & Testing Charges | 1.86                 |
| Re-sealing charges where seals are found broken      | 0.08                 |
| Cost of Meter Cup Board (MCB)                        | 4.52                 |

| Description                | Amount in Cr. |
|----------------------------|---------------|
| Meter Installation Charges | 2.75          |
| <b>Total Amount</b>        | <b>14.21</b>  |

The non-inclusion of rebate on power purchase payments (Rs. 128.18 crore), delayed payment surcharge from consumers (Rs. 401.50 crore) and early payment rebate from suppliers/contractors (Rs. 12.69 crore) in the true-up for FY 2024-25 is in accordance with Regulation 69.2 of the HERC (Multi Year Tariff) Regulations, 2019. The same is also in accordance with the treatment done in earlier True-Up Orders by the Hon'ble Commission. It is submitted that as per accounting policy of the balance sheet of the Nigam, any discount on early payment shall not be reduced from the cost but to be treated as income of the Nigam.

Further, it is submitted that payment of LPS amounting to Rs. 64,64,43,863/- has been made to M/s JPL on account of interest allowed by CERC order dated 16.04.24 in petition No. 131/MP/2022 compensation on account of O&M expenses of Flue Gas Desulphurization.

- xxvi. Detail of Penalties arising from Commission's order, courts / tribunal, CGRF / Ombudsman are not to be allowed to be recovered through ARR, the licensee may provide details of any such penalties included in the true up proposal for the FY 2024-25. (In accordance with Regulation 8.3 (2nd proviso) of MYT Regulation 2024).

**UHBVNL Reply:**

In FY 2024-25 an amount of Rs. 0.22 Cr. has been booked on account of penalty imposed on Nigam by Hon'ble HERC/CGRF/Courts etc. and this amount is including in other expenses head.

- xxvii. Segregated Accounts with basis of allocation: Regulation 7.1 of MYT Regulations, 2019 provides that the distribution licensee shall prepare an allocation statement to apportion costs and revenues to respective business. The allocation statement shall be approved by the Board of Directors of the distribution licensee and accompanied with an explanation of the methodology which should be consistent over the control period under these Regulations. The editable copy of segregated accounts of UHBVNL, needs to be provided along with basis of allocation.

**UHBVNL Reply:**

The desired information has been annexed with the filing.



- xxviii. Assessment of financial and physical progress of Capital Expenditure under each head vis-a-vis the schedule submitted and approved by the Commission for FY 2024-25. In case of any deviation in Capital Expenditure including Capitalization, the generating company/licensee shall submit a detailed justification at the time of truing-up.

The loan drawl should be matched with physical progress of Capital Works undertaken under each head. (In accordance with Regulation 4.3 (f)(viii) of MYT regulation 2024).

**UHBVNL Reply:**

Assessment of physical progress of Capital Expenditure under each head vis-a-vis the schedule submitted and approved by the Commission for FY 2024-25 has been annexed with the filing.

The detail of capex financing is given as under:

| Particulars                                                           | Rs in Crore |
|-----------------------------------------------------------------------|-------------|
| Total Capex of FY 2024-25                                             | 1586.51     |
| <b>Source of Financing of Capex of FY 2024-25</b>                     |             |
| Consumer Contribution                                                 | 195.71      |
| Grant under RDSS Scheme                                               | 144.08      |
| Own Contribution                                                      | 249.34      |
| Capex loan availed in FY 2024-25                                      | 830.00      |
| Capex loan availed in FY 2025-26 to meet with the Capex of FY 2024-25 | 167.38      |
| Total – Financing of Capex of FY 2024-25                              | 1586.51     |

- xxix. The licensee may confirm that neither penal interest nor overdue interest forms part of the ARR and true up proposed. (In accordance with Regulation 21.2 (i) (2nd proviso) of MYT regulation 2024).

**UHBVNL Reply:**

This is to submit that UHBVNL has not paid any overdue interest/ penalty to any of the Banks/ Financial Institutions in FY 2024-25.

- xxx. Distribution Licensee shall submit the utilization of funds allocated for DSM schemes and shall maintain separate records of Revenue/Expenditure related to individual DSM schemes approved by the Commission. (In accordance with Regulation 66 (1<sup>st</sup> proviso) of MYT regulation 2024).

**UHBVNL Reply**

There was no separate fund requirement for FY 2024-25. The petitioner will submit the adequate proposal for fund requirement for DSM scheme in ARR in subsequent financial year, if required.

- xxxi. Detailed reasoning of having short term loans (CC/OD etc.) of Rs. 2781.89 crore (note no. 15) as on 31.03.2025 and at the same time keeping Rs. 45 Crore (note no. 8) balance in the bank.

**UHBVNL Reply**

This is to submit that out of total bank balance of ₹45 Crore as on 31.03.2025, an amount of ₹9.75 crore pertains to CSR (Statutory Fund) which is required to maintain. Further, the balance amount of ₹35 crore pertains to collection of revenue received on 31.03.2025, however due to bank holiday on 31.03.2025 (Eid-ul-fitr) funds were transferred on 01.04.2025 in the CC accounts of the Nigam.

- xxxii. Year-wise aging of net receivables (Rs. 2894.30 crore) appearing under note 7 of the financial statements.

**UHBVNL Reply:**

The Year-wise aging of Gross receivables (Rs. 3278.62 Cr.) has already been given in note no. 18.1 and after reduction of Provision for Bad & Doubtful Debts amounting to Rs. 384.32 Cr. the amount of net receivables i.e. Rs. 2894.30 Cr. has been arrived. There is no separate aging available for net receivables.

- xxxiii. Details of 'reclassification of excess provision for un-realised surcharge' (Rs. 1730.19 crore) and 'amount transferred to exceptional items' (Rs. 192.24 crore) appearing in note 14 of the financial statements. The working calculation of same may be provided.

**UHBVNL Reply:**

Due to change in accounting policy of unrealized surcharge Rs. 1922.42 Cr. shall be write back in 10 years. Accordingly, Rs. 192.24 Cr. has been written back in FY 2023-24 & FY 2024-25 and remaining amount of Rs. 1537.94 Cr. shall be considered proportionately as other income in the coming 8 years. Accounting treatment of the same has been annexed with the filing.

- xxxiv. Editable copy of the additional disclosures statements of financial statements in excel format (26.1 to 26.115B)

**UHBVNL Reply:**

The desired information has been annexed with the filing.

- xxxv. Consumer category and sub category wise distribution losses for the FY 2024-25, FY 2025-26 (upto 31.12.2025) may be provided.

**UHBVNL Reply:**

It is humbly submitted to the Hon'ble Commission that consumer category and sub-category wise distribution losses are not prepared by Nigam due to the fact that feeder wise units' receipt could not be bifurcated into consumer categories (DS, NDS, LT, HT etc.)

- xxxvi. Voltage wise estimates losses for all consumer categories.

**UHBVNL Reply:**

This is to submit that estimated technical losses for FY 2024-25 has been annexed with the filing.

- xxxvii. Calculation details of capitalisation amount of Rs 7.11 crore for the year 2026-27 while projecting employee expenses to be provided.

**UHBVNL Reply:**

The detailed formula linked calculation sheet containing details of capitalisation amount of Rs 7.11 crore for the year 2026-27 while projecting employee has been annexed with the filing.

- xxxviii. The percentage of retirement/disposal of assets taken in FY 2026-27 while computing GFA, to be provided.

**UHBVNL Reply:**

The average rate of disposal and closing balance of GFA for the concerned year has been considered for estimating the disposal of assets. The detailed formula linked calculation sheet containing has been annexed with the filing.

- xxxix. IDC percentage taken in FY 2026-27 while computing CWIP, to be provided.

**UHBVNL Reply:**

The average of opening and closing balances of CWIP and average interest rate of capital loans for the concerned years has been considered for projecting IDC. The detailed formula linked calculation sheet has been annexed with the filing.

- xl. Calculation details for projected eligible RoE including opening and additions for eligible RoE for FY 2026-27, to be provided.

**UHBVNL Reply:**

The RoE for FY 2026-27 has been projected as per the provisions specified under Regulation 20 of HERC MYT Regulations, 2024. The detailed formula linked calculation sheet has been annexed with the filing.

- xli. As per HERC MYT Regulations, the licensee needs to provide consumers category wise CoS and a proposal of reduction of cross subsidy. CoS study has been received separately but no proposed for reduction in cross subsidy found with the petition.

**UHBVNL Reply:**

The level of cross subsidy in the existing retail supply tariff structure is well within the range of +/- 20% of average cost of supply as specified in the Clause 8.3 (Tariff Design: Linkage of Tariff to the Cost of Service) of the National Tariff Policy, 2016. It is imperative that due to the concerted efforts of the Discoms the distribution losses have reduced consistently over the years.

Further, in this regard, Section 42 of the Electricity Act 2003 categorically specifies that cross subsidies shall be progressively reduced in the manner as may be specified by the State Commission. Relevant extract of the Act is as follows:

*“The State Commission shall introduce open access in such phases and subject to such conditions, (including the cross subsidies, and other operational constraints) as may be specified within one year of the appointed date by it and in specifying the extent of open access in successive phases and in determining the charges for wheeling, it shall have due regard to all relevant factors including such cross subsidies, and other operational constraints:*

*Provided that such open access shall be allowed on payment of a surcharge in addition to the charges for wheeling as may be determined by the State Commission:*

*Provided further that such surcharge shall be utilised to meet the requirements of current level of cross subsidy within the area of supply of the distribution licensee:*

*Provided also that such surcharge and cross subsidies shall be progressively reduced in the manner as may be specified by the State Commission.*

- xlii. The cumulative revenue deficit for FY 2026-27 has been projected as Rs. 4484.71Cr, Licensee to provide the concrete plan for bridging this gap.

**UHBVNL Reply:**

This is to submit that Aggregate Revenue Requirement (ARR) for the FY 2026-27 has been projected based on the provisions specified in the HERC MYT Regulations, 2024 for projecting financial and operational parameters. Revenue for FY 2026-27 has been proposed by considering the projected energy sales, as per the methodology approved by

the Hon'ble Commission in past Tariff Orders and the existing retail supply tariff approved by the Hon'ble Commission in Tariff Order dtd. 28.03.2025. Accordingly, Revenue Gap has been computed based on the difference between ARR and Revenue projected for FY 2026-27 which is Rs. 4,484.71 Crores for Haryana Discoms (cumulative revenue gap till end of FY 2026-27).

Further, this is to submit that UHBVN has been able to reduce its losses substantially over the past few years. UHBVN has significantly reduced the AT&C losses from 30.10% to 9.33% from FY 2015-16 to FY 2024-25 and is on the path to optimize its operations which will definitely result in increase in Revenue for the DISCOM.

UHBVN is also continuously putting earnest endeavours to improve its operational efficiency. Accordingly, the reduction in operational cost can be one more avenue to reduce the projected gap. Further, sustained focus on loss-reduction measures, strengthening of billing and collection mechanisms, and optimization of power purchase costs would contribute towards bridging the existing revenue gap.

**Electricity (Amendment) Rules, 2024 dated 10/01/2024 formulated by Ministry of Power, GoI,** stipulates that tariff shall be cost reflective and there shall not be any gap between approved Annual Revenue Requirement and estimated annual revenue from approved tariff. In line with the above Rules stipulated by the MoP, it is submitted that the Discoms may be allowed Cost Reflective Tariff such that there shall not be any gap between ARR and revenue as approved by the Hon'ble Commission for FY 2026-27.

- xl.iii. In order to work out consumer category wise revenue, details i.e. consumer category wise sale/ connected load connected load in kW / kVA / number of consumers, for last five years. Sales / demand forecast for each consumer category and sub-categories and the methodology and rationale used, in line with regulation 60.1 i.e. monthly category and sub category wise sales.

Also, the excel sheet with sale revenue projections consumer category wise with connected load (%age used) may be provided for FY 2026-27.

**UHBVNL Reply:**

As per Regulation 73 of the HERC MYT Regulations, 2024, the sales forecast has been projected based on the actual energy sales for FY 2024-25 and the Compound Annual Growth Rate (CAGR) of relevant duration. The CAGR of relevant duration having the

adequate growth rate with respect to the expected increase in the number of consumers and connected load during FY 2026-27 has been considered for projecting the category wise energy sales. Any abnormal variation in CAGR has been adjusted by considering the normalize growth rate on manual basis. The Category wise CAGR for energy sales for different duration is been provided in Table 4-5 of the Tariff Petition.

Further, the detailed formula based linked excel containing details as desired pertaining to consumer category wise number of consumers, connected load, energy sales for last five years and rationale for consumer category wise demand forecast has been annexed with the filing.

- xliv. Details of banking arrangement – Energy banked, banked energy taken back, revenue accrued on default etc. is required to be provided.

**UHBVNL Reply:**

It is submitted that the details of banking arrangement- Energy banked, energy taken back is as under:

| Energy Banked but Outstanding for Taking Back as on 31.12.2025 |                                                 |                                                           |                                                              |                                                        |                                                 |
|----------------------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------|
| Utility                                                        | Total Banked Quantum (in MU) received in May 24 | Total banked quantum (MU) returned by HPPC during feb -25 | Total banked quantum (MU) by HPPC during Dec. 24 to April 25 | Total Banked Quantum (in MU) received as on 31.10.2025 | Total banked quantum (MU) by HPPC during Dec 25 |
| Meghalaya power Distribution Corp. Ltd.                        | 16.8                                            | 17.64                                                     |                                                              |                                                        |                                                 |
| Uttarakhand Power Corp. Ltd                                    |                                                 |                                                           | 616.8125                                                     | 641.52                                                 |                                                 |
| Meghalaya power Distribution Corp. Ltd.                        |                                                 |                                                           | 148.8                                                        | 156.24                                                 |                                                 |
| Andhra Power Distribution Corp. Ltd.                           |                                                 |                                                           | 381.6                                                        | 400.68                                                 |                                                 |
| Meghalaya power Distribution Corp. Ltd.                        |                                                 |                                                           |                                                              |                                                        | 37.2                                            |

- xlv. The distribution licensee shall indicate consumer category-wise open access consumers. The demand and energy wheeled for them shall be shown separately. (In accordance with Regulation 60.5 of MYT regulation)

**UHBVNL Reply:**

The demand and energy wheeled for UHBVN Open Access consumers is as follows:

| Period                | Category | Drawl from IEX (in kWh) |          | Drawl from Third party generator through Bilateral Agreement (in kWh) |         | Solar Captive open access consumer (Injection DHBVN, Drawl UHBVN) (in kWh) |           |
|-----------------------|----------|-------------------------|----------|-----------------------------------------------------------------------|---------|----------------------------------------------------------------------------|-----------|
|                       |          | Schedule                | Drawl    | Schedule                                                              | Drawl   | Schedule                                                                   | Drawl     |
| FY 24-25              | HT       | 4441397                 | 4094903  | 6626514                                                               | 6578069 | 26625982                                                                   | 17281375  |
| FY 25-26(upto Nov 25) | Industry | 11944404                | 11507912 | 6105248                                                               | 6065790 | 30393013*                                                                  | 19591932* |

\* 3 firms are excluded Asian Paints & Ultratech, Panipat & Ultratech Jhajjar for the month of Nov.-25.

- xlvi. Actual losses including feeder wise loss levels in the FY 2024-25, FY 2025-26 and expected for the FY 2026-27 and beyond. (In accordance with Regulation 8.3.4 (3<sup>rd</sup> proviso) of MYT regulation 2024 and in accordance with Regulation 59.1(d)(1<sup>st</sup> proviso) of MYT regulation 2024).

**UHBVNL Reply:**

This is to submit that the actual sub division wise feeder wise losses for FY 2024-25 has been annexed with the filing. Further, the actual sub division wise feeder wise losses for FY 2025-26 upto Nov-25 has been annexed with the filing.

- xlvi. UHBVNL has claimed sharing of gain in respect of distribution loss at 9.33% (as against the approved 10%). In this regard, UHBVNL may provide the details of rooftop solar and all banked energy treated by Discoms as lapsed/dumped. Further, the treatment of the same in the calculation of distribution loss of 9.33% may also be explained.

**UHBVNL Reply:**

Vide Memo No. Ch-47 / RA / F-25 / Vol-89 dated 05.03.2026, the Nigam replied as under:

The total surplus/lapsed units of rooftop solar and banking is around 2.71 MUs, which is only 0.063% of total receipt energy during FY 2024-25.

Further, the entire transmission and distribution network is interconnected with the grid and therefore it is difficult to determine the quantum of rooftop solar energy within the grid. It is also submitted that with the existing infrastructure, it is not possible to accurately ascertain the quantum of rooftop solar energy and banked losses that must be lapsed or dumped. Therefore, distribution line losses cannot be determined with precision due to the aforesaid limitations.

- xlvi. The methodology for calculating energy injected into the system and treated as dumped on account of various reasons such as unutilized banked power, excess rooftop solar generation, unscheduled power etc. Further, its accounting and treatment while calculating distribution losses, may be explained.

**UHBVNL Reply:**

"The surplus energy dumped by renewable generating sources into the grid is unwanted energy which is dumped into the system due to poor demand at local level. The same may at times may create huge implication of imbalance charges on Discoms. Thus, such quantum of energy may get auto accounted under the UI settlement mechanism."

- xlix. Consumer category wise CoS to be provided with complete back end data and detailed calculations. The same be uploaded on the website also and a public notice be issued inviting comments/suggestions/objections from stakeholders.

**UHBVNL Reply:**

The Consumer category wise cost of supply, along with supporting data and calculations, has been uploaded for objection on the website and Public notice is been published in newspaper and has been annexed with the filing.

- I. DISCOMs have projected revenue gap of Rs. 4485 Crore, even after making a provision for FPPAS receivable amounting to Rs. 1681.24 crore., without providing any concrete action plan to bridge this gap, quantifying the gap to be met from efficiency gain, cost cutting, reduction in power purchase cost, tariff hike etc. In this regard, the specific proposal of the Discoms for the quantum (Rs./unit) of consumer category-wise tariff hike as well as the amount (Rs/crore), in order to meet the revenue gap, be provided.

**UHBVNL Reply:**

This is to submit that Aggregate Revenue Requirement (ARR) for the FY 2026-27 has been projected based on the provisions specified in the HERC MYT Regulations, 2024 for projecting financial and operational parameters. Revenue for FY 2026-27 has been proposed by considering the projected energy sales, as per the methodology approved by the Hon'ble Commission in past Tariff Orders and the existing retail supply tariff approved by the Hon'ble Commission in Tariff Order dtd. 28.03.2025. Accordingly, Revenue Gap has been computed based on the difference between ARR and Revenue projected for FY 2026-



27 which is Rs. 4,484.71 Crores for Haryana Discoms (cumulative revenue gap till end of FY 2026-27).

- li. The consumer-category wise subsidy proposed to be provided during the FY 2026-27 (per unit, quantum and total value).

**UHBVNL Reply:**

The agricultural sales have been projected in accordance with the methodology prescribed by the Hon'ble HERC. The corresponding revenue has been computed at the applicable tariff rate of Rs. 7.35 per unit. Any shortfall in revenue on account of supply at the subsidized tariff is accordingly proposed to be compensated through subsidy.

The details of consumer-category wise subsidy proposed to be provided during the FY 2026-27 (per unit, quantum and total value) is as follows:

| Particulars                    | Units | Amount   |
|--------------------------------|-------|----------|
| Sales Projected for FY 2026-27 | MU    | 4,208.98 |
| Revenue '@7.35                 | Rs cr | 3,095.11 |
| Revenue '@ Subsidized rate     | Rs cr | 62.62    |
| Subsidy Proposed               | Rs cr | 3,032.49 |

lii. **Information related to technical:**

- a. Month wise AP actual consumption data for the FY 2024-25 and FY 2025-26 (up to Sep, 2025) as per the methodology prescribed by the Commission along with following details:
- I. AP consumption of segregated AP feeders (in MUs)
  - II. Normative AP consumption considering 16% of loss
  - III. AP Billing of consumers on feeder other than AP feeder (in MUs)
  - IV. Consumption of other category consumers on AP Feeders (in MUs)
  - V. Net Normative AP Consumption (in MUs)

**UHBVNL Reply:**

Month wise AP actual consumption data for the FY 2024-25 and FY 2025-26 (up to Sep, 2025) as per the methodology prescribed by the Commission along with requisite details has been annexed with the filing.

- b. Cumulative information regarding failure rate of transformers under warranty/out of warranty separately for rural & urban area during FY 2024-25 and 2025-26 (up to Sept, 2025) be provided on the following format:

**UHBVNL Reply:**

The desired information is submitted below: -

| Year                         |                | UHBVN Failure Rate                                       |                                                          |
|------------------------------|----------------|----------------------------------------------------------|----------------------------------------------------------|
|                              |                | Excluding transformers damaged within warranty Period(%) | Including transformers damaged within warranty Period(%) |
| 2024-25                      | Urban          | 3.26                                                     | 4.21                                                     |
|                              | Rural          | 5.16                                                     | 7.10                                                     |
|                              | <b>Overall</b> | <b>4.96</b>                                              | <b>6.79</b>                                              |
| 2025-2026<br>(up to Sept-25) | Urban          | 2.40                                                     | 3.01                                                     |
|                              | Rural          | 4.00                                                     | 5.28                                                     |
|                              | <b>Overall</b> | <b>3.83</b>                                              | <b>5.04</b>                                              |

- c. Details of pending connections, category wise vis-a-vis their respective load for FY 2024-25 i.e. status as on 31.03.2024, applications received and released during FY 2024-25 and 01.04.2025 to 30.09.2025, along with reasons of pendency.

**UHBVNL Reply:**

The desired information has been annexed with the filing.

- d. Details of three phase and single-phase defective meters pending in the urban and rural area separately along with the details of meters replaced in FY 2024-25 vis-a-vis pending in FY 2025-26 (up to Sept, 2025) on the following format:

**UHBVNL Reply:**

The desired information is as follows:

| Meter Category      | No. of Defective Meter (Ending March 2025) |       |       | Newly added during (April 25 to Sept25) |       |       | Defective Meters replaced during FY 2025-26 Upto 30.09.25 |       |       | Defective Meter as on 30.09.25 (Ending Sept 25) |       |       |
|---------------------|--------------------------------------------|-------|-------|-----------------------------------------|-------|-------|-----------------------------------------------------------|-------|-------|-------------------------------------------------|-------|-------|
|                     | Rural                                      | Urban | Total | Rural                                   | Urban | Total | Rural                                                     | Urban | Total | Rural                                           | Urban | Total |
| Single Phase Meters | 8117                                       | 5619  | 13736 | 44285                                   | 32423 | 76708 | 44264                                                     | 32731 | 76995 | 8138                                            | 5311  | 13449 |
| Three Phase Meters  | 667                                        | 1117  | 1784  | 2399                                    | 5255  | 7654  | 2345                                                      | 5188  | 7533  | 721                                             | 1184  | 1905  |
| Total               | 8784                                       | 6736  | 15520 | 46684                                   | 37678 | 84362 | 46609                                                     | 37919 | 84528 | 8859                                            | 6495  | 15354 |

- e. Details of replacement/pendency of electromechanical meters replaced in FY 2024-25 and pending for FY 2025-26 (up to Sept. 2025)

**UHBVNL Reply:**

The desired information is below :-

| Meter Category     | No. of Electromechanical meters |       |       | Electromechanical Meters replaced during FY2025-26 |       |       | No. of Electromechanical meters |       |       |
|--------------------|---------------------------------|-------|-------|----------------------------------------------------|-------|-------|---------------------------------|-------|-------|
|                    | (Ending March, 2025)            |       |       | Up to 30/09/2025                                   |       |       | (Ending Sept, 2025)             |       |       |
|                    | Rural                           | Urban | Total | Rural                                              | Urban | Total | Rural                           | Urban | Total |
| <b>UHBVN</b>       |                                 |       |       |                                                    |       |       |                                 |       |       |
| Single Phase meter | 7179                            | 0     | 7179  | 666                                                | 0     | 666   | 6513                            | 0     | 6513  |
| Three Phase meter  | 0                               | 0     | 0     | 0                                                  | 0     | 0     | 0                               | 0     | 0     |

| Meter Category | No. of Electromechanical meters |       |       | Electromechanical Meters replaced during FY2025-26 |       |       | No. of Electromechanical meters |       |       |
|----------------|---------------------------------|-------|-------|----------------------------------------------------|-------|-------|---------------------------------|-------|-------|
|                | (Ending March, 2025)            |       |       | Up to 30/09/2025                                   |       |       | (Ending Sept, 2025)             |       |       |
|                | Rural                           | Urban | Total | Rural                                              | Urban | Total | Rural                           | Urban | Total |
| Total          | 7179                            | 0     | 7179  | 666                                                | 0     | 666   | 6513                            | 0     | 6513  |

- f. Information regarding distribution losses and AT&C losses for FY 2025-26 (up to Sept, 2025)

**UHBVNL Reply:**

The desired information is submitted below:

| Information regarding distribution losses and AT&C losses for FY 2025-26 (upto Sept. 2025) |                          |                            |                  |                                            |
|--------------------------------------------------------------------------------------------|--------------------------|----------------------------|------------------|--------------------------------------------|
| Year                                                                                       | Distribution Losses in % | Collection Efficiency in % | AT&C Losses In % | Remarks                                    |
| FY 2023-24                                                                                 | 9.15                     | 100                        | 9.15             | Collection efficiency restricted upto 100% |
| FY 2024-25                                                                                 | 9.33                     | 100                        | 9.33             |                                            |
| FY 2025-26 up to september-25                                                              | 14.72                    | 99.71                      | 14.97            |                                            |
| FY 2025-26                                                                                 | 10.00                    | 99.50                      | 10.45            |                                            |
| FY 2026-27                                                                                 | 9.85                     | 99.50                      | 10.30            |                                            |

- g. Details of collection efficiency in rural and urban area separately during FY 2024-25 and FY 2025-26 along with cumulative figures of collection efficiency

**UHBVNL Reply:**

Details of collection efficiency during FY 2024-25 and FY 2025-26(Upto Sept'25), is as follows :-

| CIRCLE      | Units in LUs | Assessment in Cr. | Realization in Cr. | CE%    |
|-------------|--------------|-------------------|--------------------|--------|
| Ambala      | 19817.49     | 921.52            | 982.13             | 106.58 |
| Jhajjar     | 22897.32     | 1423.99           | 1482.16            | 104.09 |
| Kaithal     | 20525.32     | 640.45            | 690.42             | 107.80 |
| Karnal      | 33226.14     | 1640.04           | 1615.49            | 98.50  |
| Kurukshetra | 17879.76     | 698.31            | 701.20             | 100.41 |
| Panchkula   | 11721.01     | 713.80            | 716.44             | 100.37 |
| Panipat     | 42189.59     | 2443.44           | 2458.60            | 100.62 |
| Rohtak      | 20624.31     | 1186.61           | 1264.30            | 106.55 |
| Sonepat     | 42889.09     | 2609.39           | 2697.58            | 103.38 |
| Y/Nagar     | 20225.36     | 1022.68           | 1046.79            | 102.36 |
| Subsidy     |              | 2536.83           | 2536.83            | 100.00 |
| Total       | 251995.39    | 15837.05          | 16191.94           | 100.00 |

| FY 24-25               | Units Received (LUs) | Unit Billed (LUs) | Assessment ( SOP+ Subsidy) (Crore ) | Realization ( SOP+ Subsidy) (Crore ) | % Billing Efficiency | % Collection efficiency | % T&D Losses | % AT&C Losses |
|------------------------|----------------------|-------------------|-------------------------------------|--------------------------------------|----------------------|-------------------------|--------------|---------------|
| Total (UHBVN as whole) | 277915.45            | 251995.39         | 15837.05                            | 16191.94                             | 90.67                | 100                     | 9.33         | 9.33          |

| FY 2025-26 upto September-2025 |                  |                   |                    |              |
|--------------------------------|------------------|-------------------|--------------------|--------------|
| CIRCLE                         | Units in LUs     | Assessment in Cr. | Realization in Cr. | CE%          |
| Ambala                         | 10901.68         | 547.69            | 530.35             | 96.83        |
| Jhajjar                        | 12513.59         | 807.08            | 834.36             | 103.38       |
| Kaithal                        | 11102.25         | 388.05            | 342.72             | 88.32        |
| Karnal                         | 18016.71         | 933.03            | 917.21             | 98.30        |
| Kurukshetra                    | 10127.19         | 429.73            | 411.34             | 95.72        |
| Panchkula                      | 6564.26          | 437.18            | 448.57             | 102.60       |
| Panipat                        | 23450.45         | 1512.38           | 1514.09            | 100.11       |
| Rohtak                         | 11764.70         | 712.07            | 701.05             | 98.45        |
| Sonepat                        | 24284.66         | 1615.51           | 1643.85            | 101.75       |
| Y/Nagar                        | 10760.88         | 591.32            | 602.87             | 101.95       |
| Subsidy                        |                  | 1422.90           | 1422.90            | 100.00       |
| <b>Total</b>                   | <b>139486.37</b> | <b>9396.95</b>    | <b>9369.31</b>     | <b>99.71</b> |

| FY 25-26                      | Units Received (LUs) | Unit Billed (LUs) | Assessment ( SOP+ Subsidy) (Crore ) | Realization ( SOP+ Subsidy) (Crore ) | % Billing Efficiency | % Collection efficiency | % T&D Losses | % AT&C Losses |
|-------------------------------|----------------------|-------------------|-------------------------------------|--------------------------------------|----------------------|-------------------------|--------------|---------------|
| <b>Total (UHBVN as whole)</b> | 163556.54            | 139486.37         | 9396.95                             | 9369.31                              | 85.28                | 99.71                   | 14.72        | 14.97         |

Further, the desired information for AT&C Loss Calculation for FY 2024-25 is submitted below:

| Details of AT&C loss for FY 2024-25 and FY 2025-26 up to September-25 |            |                              |
|-----------------------------------------------------------------------|------------|------------------------------|
| Particular                                                            | FY 2024-25 | FY 2025-26 upto september-25 |
| Units available for sale (LUs)                                        | 277915.45  | 163556.54                    |
| Total Unit Sold (LUs)                                                 | 251995.39  | 139486.37                    |
| Distribution Losses in %                                              | 9.33       | 14.72                        |
| Collection Efficiency in %                                            | 100        | 99.71                        |
| AT&C Losses In %                                                      | 9.33       | 14.97                        |

**Proposed the distribution loss and AT&C loss (2026-27):**

| DISCOMs                | UHBVNL        |
|------------------------|---------------|
| Distribution Loss      | 9.85%         |
| Collection Efficiency  | 99.50%        |
| <b>AT&amp;C Losses</b> | <b>10.30%</b> |

- h. Details regarding feeders having distribution losses more than 25% in urban area and 50% in rural area vis-a-vis total population of such feeders in the beginning of FY 2023-24 and FY 2024-25 along with comparison of progress in FY 2024-25 (April-Sept 2024) and FY 2025-26 (April-Sept 2025).

**UHBVNL Reply:**

Details regarding feeders having distribution losses more than 25% in urban area and 50% in rural area vis-a-vis total population of such feeders in the beginning of FY 2023-24 and

FY 2024-25 along with comparison of progress in FY 2024-25 (April-Sept 2024) and FY 2025-26 (April-Sept 2025).

**Urban Feeder(s) –Losses**

| Year                            | FY 2023-24 | FY 2024-25 | FY 2024-25<br>(Apr-Sept.) | FY 2025-26<br>(Apr-Sept.) |
|---------------------------------|------------|------------|---------------------------|---------------------------|
| Total Urban Feeders             | 925        | 966        | 949                       | 1002                      |
| Feeders with losses> 25%        | 0          | 1          | 5                         | 0                         |
| Feeders with losses> 25% (%age) | 0.00       | 0.10       | 0.53                      | 0.00                      |
| Feeders having losses below 25% | 925        | 965        | 944                       | 1002                      |

**RDS Feeders -Losses**

| Year                            | FY 2023-24 | FY 2024-25 | FY 2024-25<br>(Apr-Sept.) | FY 2025-26<br>(Apr-Sept.) |
|---------------------------------|------------|------------|---------------------------|---------------------------|
| Total RDS Feeders               | 1127       | 1148       | 1135                      | 1176                      |
| Feeders with losses> 50%        | 62         | 50         | 57                        | 49                        |
| Feeders with losses> 50% (%age) | 5.50       | 4.36       | 5.02                      | 4.17                      |
| Feeders having losses below 50% | 1065       | 1098       | 1078                      | 1127                      |

- i. A progress report on the implementation of Revamped Distribution Sector Scheme.

**UHBVNL Reply:**

This is to submit that progress report on the implementation of Revamped Distribution Sector Scheme has been annexed with the filing.

Further, the ERP implementation at UHBVN has formally commenced following issuance of the Letter of Intent issued on dated 11/11/2025 to M/s Infinite Computer Solution (India) Ltd. The project is progressing in line with the approved scope and timelines, with structured steps being taken towards execution of the implementation phase of 18 months.

- j. A progress report on Smart Meters. (Procured, installed and under process)

**UHBVNL Reply:**

About 5 Lakh Smart meters have been installed by M/s Energy Efficiency Services Ltd. In Panchkula, Panipat, Karnal, Pinjore, Kalka & Gharaunda town by FY 2023-24. Tenders for smart metering on balance areas were floated on Capex model could not be matured as prices received were exorbitant have been dropped. Fresh tender on Totex mode under RDSS shall be floated after confirmation from MoP, Gol w.r.t revoking the sanction of smart meter. A separate tender for installation of smart meter on Govt. connections is also being floated on Totex Mode, in view of the priority accorded by MoP, Gol to Government prepaid connections.

- k. A progress report on PM KUSUM Scheme.

**UHBVNL Reply:**

The Progress on PM-KUSUM is listed below:-

| S. No. | Particular                             | UHBVN Status       |
|--------|----------------------------------------|--------------------|
| 1      | Capacity of allocated                  | 21 MW              |
| 2      | LOAs Issued (Capacity & Nos.)          | 21.05 MW (14 Nos.) |
| 3      | PPA assigned (Capacity & Nos.)         | 16.05 MW (11 Nos.) |
| 4      | Capacity Commissioned (Capacity & No.) | 0.96 (1 No.)       |

**DHBVNL has filed the response to the additional information, vide Memo No. 95/SE/RA-794/Vol-I dated 27.01.2026, as follows: -**

- i. O&M expenses in the FY 2024-25 have been overall decreased, except for A&G expenses, as compared to the approved figures as per order dated 05.03 2024. The reason for increase in A&G may be explained along with substantial decrease in R&M expenses vis a vis approved.

**DHBVNL Reply**

As per Audited Annual Accounts A&G expenditure has been reduced from 203.82 crore to 196.40 crore in FY 2024-25. However, approved A&G on normative basis is Rs. 166.49 crore as per tariff order dated 05.03.2024. The major components of A&G expenditure are as under: -

- a. Lease line expenditure Rs. 2.25 crore.
- b. Call centre expenditure Rs. 4.25 crore.
- c. Legal charge Rs. 10.53 crore.
- d. Consultancy Rs. 20.15 crore
- e. Bill reading Rs. 39.28 crore.
- f. Store and watch Rs. 3.34 crore.
- g. Bijli Suvidha Rs. 5.37 crore
- h. Hiring of Vehicle Rs. 28.00 crore.
- i. TA of Staff Rs. 5.32 crore
- j. Heavy vehicle diesel Rs. 1.25 crore
- k. Auction commission Rs. 1.50 crore
- l. Marchant discount Rs. 9.13 crore
- m. Material/Samples testing Rs. 3.88 crore
- ii. Employee expenses and A&G expenses in the FY 2024-25 have increased, as compared to the FY 2023-24 (Note 30 and 33 of audited accounts), as shown under: -

| Account Codes         | Particulars                                                                        | For the year ended 31st March 2025 | For the year ended 31st March 2024 | Increase  |
|-----------------------|------------------------------------------------------------------------------------|------------------------------------|------------------------------------|-----------|
| 75.1                  | Basic Salaries                                                                     | 55,556.85                          | 46,260.23                          | 9,296.62  |
| 75.3                  | Dearness allowance                                                                 | 28,413.03                          | 21,616.53                          | 6,796.50  |
| 75.4                  | Other allowance                                                                    | 7,746.92                           | 6,538.93                           | 1,207.99  |
| 75.611 613, 614 & 615 | Medical expenses reimbursement (Indoor & Outdoor)                                  | 2,197.16                           | 1,664.31                           | 532.85    |
| 75.612                | Leave Travel Concession                                                            | 3,266.39                           | 788.49                             | 2,477.90  |
| 75.633                | Pension contribution of new staff                                                  | 41,554.33                          | 20,943.70                          | 20,610.62 |
| 75.640 to 75.643      | Expenditure on Employees Engaged on Contractual Basis (Data Entry Operator/SA/ALM) | 26,963.84                          | 25,536.72                          | 1,427.12  |
| 76.101                | Rent (including lease rentals)                                                     | 360.54                             | 339.10                             | 21.44     |
| 76.121                | Legal charges.                                                                     | 1,053.58                           | 959.92                             | 93.66     |
| 76.126                | Service charges for computerization                                                | 1,179.43                           | 1,128.44                           | 51.00     |
| 76.131-139            | Conveyance & travelling expenses.                                                  | 3,570.67                           | 3,234.52                           | 336.16    |
| 76.153                | Printing & Stationery                                                              | 556.06                             | 526.78                             | 29.29     |
| 76.2                  | Other material related expenses                                                    | 1,656.04                           | 1,494.80                           | 161.25    |

#### DHBVNL Reply

It is submitted that the employee's expenditure for the FY 2024-25 is within limit as approved by Hon'ble Commission actual employee expenditure is Rs. 1232.64 crore against the approved Rs. 1313.09 crore.

| Account Codes         | Particulars                                       | For the year ended 31st March 2025 | For the year ended 31st March 2024 | Submissions                                                                                                                                                                                               |
|-----------------------|---------------------------------------------------|------------------------------------|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 75.01                 | Basic Salaries                                    | 555.57                             | 462.60                             | As per Govt. CSR Rule salary of employee enhanced @ 3% as annual increment thus approx. Rs. 14.00 crore is additional cost as well as approx. 2300 no. new employee has been recruited during FY 2024-25. |
| 75.3                  | Dearness Allowance                                | 284.13                             | 216.17                             | Dearness allowance has been increased from 50% to 55% during FY 2024-25.                                                                                                                                  |
| 75.4                  | Other Allowance                                   | 77.46                              | 65.38                              | Due to additional/new employees                                                                                                                                                                           |
| 75.611 613, 614 & 615 | Medical expenses reimbursement (Indoor & Outdoor) | 21.97                              | 16.64                              |                                                                                                                                                                                                           |
| 75.612                | Leave Travel Concession                           | 32.66                              | 7.88                               | Due to last year block, remaining balance employees claim outstanding LTC                                                                                                                                 |
| 75.633                | Pension contribution of new staff                 | 415.54                             | 209.44                             | Total actuary valuation of new and old employees has been decreased from Rs. 624.54 Crore to Rs. 553.64 Crore. The total terminal along                                                                   |

| Account Codes    | Particulars                                                                        | For the year ended 31st March 2025 | For the year ended 31st March 2024 | Submissions                                                                                           |
|------------------|------------------------------------------------------------------------------------|------------------------------------|------------------------------------|-------------------------------------------------------------------------------------------------------|
|                  |                                                                                    |                                    |                                    | with liabilities NPS for FY 2024-25 is Rs. 629.26 Crore i.e. within approved 697.77 limit Rs. Crores. |
| 75.640 to 75.643 | Expenditure on Employees Engaged on Contractual Basis (Data Entry Operator/SA/ALM) | 269.64                             | 255.37                             | Salary is paid as per HKRN rules and regulations.                                                     |

Further, Conveyance and traveling expenditure includes Rs. 28.00 Crore for hiring of outsource vehicle and Rs. 5.32 Crore traveling allowance for staff and Rs. 2.00 Crore for petrol expenditure.

- iii. Details of CSR expenditure (Rs. 2.90 crore) incurred by Discom, during the FY 2024-25, Further, note 1.54 of the financial statements may be explained showing the ibid expenditure and balance as on 31.03.2025. Also provide justification for inclusion of CSR expenditure, as part of A&G in the petition.

#### **DHBNL Reply**

The technical guide on accounting for expenditure on CSR activities issued by the Institute of Chartered Accountants of India specifies that provision should be made for unspent amount. During FY 2024-25 CSR expenditure Rs. 2.90 Crore is to be spent but the same was not spent. Thus, provision of Rs. 2.90 Crore has been created.

- iv. Details of the "Note 34 -Exceptional Items" of audited accounts such as- Reversal of excess provisioning on receivables related to surcharge (Rs 1388.45 crore). Provide the accounting treatment of the same.

#### **DHBNL Reply**

As explained at Sr. no. 1.80 and 1.81 of notes to accounts as sum of Rs. 482.38 Crore has been reversed back as excess provision (as per Govt. Gazettee Notification dated 10.10.2024) and Rs. 835.15 Crore has been reversed back on account of excess surcharge provision which was identified during FY 2023-24 and company decided to spread its impact on two years. As well as reverse back of other liability provision Rs. 70.90 Crore, total exceptional items come out Rs. 1388.45 Crore. The accounting treatment has been done with debit to excess provisions liability and credit to exceptional items income.



- v. As per note 1.80 of audited accounts, it is stated that prior to FY 2024-25 company followed a policy of creating a provision for bad and doubtful debts at 10% on incremental debtors annually, and a 100% provision on receivables related to surcharges.

Now Ministry of Power Govt. of India have notified Electricity distribution (Accounts and Additional Disclosure) Rule-2024 vide Gazette Notification dated 10.10.2024 provides minimum provisioning of Trade Receivables. Accordingly, Nigam has made provision of Trade receivables@ 75% after deducting Interstate Sales Receivables, ED, M. Tax, Panchayat Tax and ACD available with Nigam. Thus, provision of Rs. 48238.37 Lakhs has been reversed back and booked as exceptional item.

Please provide the accounting treatment of the same i.e. Rs. 48238.37 Lakhs with computation as booked with details.

#### **DHBVNL Reply**

The Ministry of Power Govt. of India vide notification dated 10.10.2024 has notified the requirement of provision for bad and doubtful debts. The provision in the point no. 5(ii) has provided, that no provision is required for the entity having trade receivable days less than or equal to 90 days on aggregate basis. However, company has provided provision @ 75% (i.e. maximum provisioning to provide for the debtors of different age whether connected or disconnected as per notification dated 10.10.2024) on the gross trade receivable adjusting amount of advance consumption deposit, interstate sale, third party receivables (ED, M-Tax, Panchayat Tax) detail as under:

| Sr. No. | Particulars                                | Amount (in Crores) |
|---------|--------------------------------------------|--------------------|
| 1       | Total Receivable                           | 7,026.33           |
| 2       | Less Security Deposit from consumers       | 3,313.68           |
| 3       | Less Inter State Sale Receivables          | 336.68             |
| 4       | Less third-party ED, M-Tax, Panchayat Tax  | 157.20             |
| 5       | Net Receivables                            | 3,218.77           |
| 6       | Provision to be provided @75% on Sr. No. 5 | 2,414.07           |

After considering the above provision for bad and doubtful debts is required to Rs. 2414.07/- crore instead of Rs. 2896.45/- Crore. The difference amount of Rs. 482.38/- crore is treated as additional/exceptional income in FY 2024-25.

After considering the above provision for bad and doubtful debts is required to Rs. 2414.07/- crore instead of Rs. 2896.45/- Crore. The difference amount of Rs. 482.38/- crore is treated as additional/exceptional income in FY 2024-25.

- vi. The Commission observes that there is exceptional increase in the interest on term loan as well as working capital, as tabulated under: -

|                                  | Approved<br>FY 2024-25 | Actual<br>FY 2024-25 | Actual<br>FY 2023-24 |
|----------------------------------|------------------------|----------------------|----------------------|
| Interest on Long Term Loans      | 161.96                 | 150.49               | 396.49               |
| Interest on Working Capital      | 126.49                 | 637.45               | 215.87               |
| Interest on Security Deposit     | 198.77                 | 116.70               | 58.56                |
| Other Interest & Finance Charges | 25.01                  | 12.49                | 9.97                 |
| Guarantee Fee                    | 50.00                  | 57.80                | 39.42                |
| <b>TOTAL</b>                     | <b>562.23</b>          | <b>974.93</b>        | <b>720.31</b>        |

#### DHBVNL Reply

It is humbly submitted that there are no exceptional increases in the interest cost of long-term Capex loan/borrowings as the same is within permissible limit allowed by Hon'ble Commission vide its order dated 05.03.2024. However, the interest cost on the working capital loan has increased abnormally due to shortfalls in timely tariff recoveries from consumers as well as delays in disbursement of government subsidies.

Due to non-recovery of subsidies including accrual FSA booked previously FYs towards raising of working capital requirement to meet with power purchase obligation to maintain uninterrupted power supply.

The details of bifurcation on interest cost as per audited accounts in terms of long terms Capex loans and working capital loans along with purpose of loan obtaining is attached for reference and record. In view of above, Hon'ble Commission is kindly requested to consider and approve the actual interest on working capital as necessary/prudent expenditure with allow the same during truing-up of ARR for FY 2024-25. Such approval is essential to preserve the financial health of the utility and qualitative power supply to consumers under DHBVNL jurisdiction.

- vii. There is a mismatch between the bifurcation of interest into capex and working capital as per the details in the petition and balance sheet (Note 31). The reasons for clubbing of certain interest on term loans (as per audited financial statements) into interest on working capital loan.

#### DHBVNL Reply

It is humbly submitted that there is no mismatch between the bifurcation of interest into capex and working capital submitted by this office vide memo dated 18.11.2025 however the same has showing in clubbing form in balance sheet (Note-31). But the interest cost shown

by this office in terms of capex and working capital loans separately dully tallied with balance sheet. The details has been annexed with the filing.

- viii. Details of CAPEX actually incurred during the FY 2024-25 and their sources of funding i.e. equity, debt or consumer contribution.

Work wise details of actual capital expenditure incurred during FY 2024-25 and FY 2025-26 along with the reasons for over/under expenditure, if any against the approved expenditure. Also, separately send work wise list where capital expenditure incurred on the works other than approved by the Commission in the FY 2024-25 and FY 2025-26 till date.

#### **DHBVNL Reply**

The details of actual capital expenditure incurred during FY 2024-25 and FY 2025-26 along with the reasons for over/under expenditure, if any against the approved expenditure has been annexed with the filing.

- ix. The breakup of 1331 MUS of combined Intrastate & Interstate transmission losses as per audited accounts for the FY 2024-25.

#### **DHBNL Reply**

It is submitted that HPPC has diligently maintained the records of unit purchased encompassing various sources of power purchase such as long-term, short-term, exchange, and others. The corresponding power available for sale has also been maintained as per energy data/account supplied by HVPNL on monthly basis and include Inter-state sale by HPPC.

The variance between unit purchased and units available for sale has been considered as transmission losses.

It is important to note that, HPPC has not maintained the bifurcation of transmission loss between intra-state and inter-state due to the non-availability of consumption data for both regions. However, a tentative bifurcation of total loss (1,331.16 Mus) between Intrastate & Interstate has been worked out based on the transmission loss %age i.e. 3.65% for Interstate losses as available on NRPC site and remaining units has been considered for Intra State Losses. The detail is as under:

| Description                           | Total Units     | DHBVN           | UHBVN           |
|---------------------------------------|-----------------|-----------------|-----------------|
|                                       | (in MUs)        | (in MUs)        | (in MUs)        |
| <b>Total Power Purchase (2024-25)</b> | <b>76481.90</b> | <b>45143.23</b> | <b>31338.67</b> |
| Power Purchase from outside Haryana   | 52111.229       | 30742.685       | 21368.544       |
| Power Purchase from inside Haryana    | 24370.67        | 14400.54        | 9970.12         |

| Description                               | Total Units | DHBVN    | UHBVN    |
|-------------------------------------------|-------------|----------|----------|
|                                           | (in MUs)    | (in MUs) | (in MUs) |
| Total Losses (A)                          | 2257.25     | 1331.16  | 926.09   |
| Transmission losses as per NRLDC          | 3.65%       | 3.65%    | 3.65%    |
| Interstate Losses as per NRLDC @ 3.65 (B) | 1902.06     | 1122.11  | 779.95   |
| Intra State Losses (A-B)                  | 355.19      | 209.06   | 146.14   |

- x. It has been observed that addition to equity capital during the FY 2024-25 is Rs. 1.25 crore only. Whereas, while claiming ROE, the addition to Equity capital has been shown as Rs. 64.34 crore. Please explain the same and provide the working of 64.34 crore

#### **DHBVNL Reply**

It is respectfully submitted that the apparent variation between the actual addition to equity capital during FY 2024–25 and the equity considered for computation of Return on Equity (ROE) arises on account of the normative treatment prescribed under the HERC (MYT) Regulations, 2019, and not due to any mismatch or overstatement.

In terms of Regulations 19.1 and 19.2 of the HERC MYT Regulations, 2019, tariff determination is based on a normative debt–equity ratio of 70:30. Accordingly, for the purpose of tariff computation, normative equity is derived from the capital expenditure, after adjusting for consumer contribution and grants received from the Government, irrespective of the actual equity infused during the year.

Further, Return on Equity has been computed strictly in accordance with Regulation 20.1, wherein the applicable rate of return has been considered at 12%, which is well within the ceiling of 14% prescribed under the Regulations.

As per Regulation 20.2, for assets capitalized during the year, 50% of the normative equity corresponding to such capitalisation is considered for computation of ROE, since the assets are assumed to be available, on average, for half of the year. Accordingly, the equity of Rs. 64.34 crore represents the normative equity portion attributable to the capital expenditure for FY 2024–25, computed in line with the prescribed regulatory methodology.

It is also pertinent to submit that DHBVN does not currently receive direct equity infusion from the Government of Haryana. In accordance with the directions of the Government of Haryana, any returns or surpluses are retained and ploughed back for funding capital projects, rather than being transferred to the Government. Accordingly, the equity considered for tariff purposes reflects normative equity employed in assets, and not actual cash equity infused during the year.

In view of the above, it is respectfully submitted that the Return on Equity has been computed strictly in accordance with Regulations 19 and 20 of the HERC MYT Regulations, 2019, and the equity figure considered for ROE purposes is regulatory and normative in nature.

The Calculation for Return on Equity as per the applicable regulations has been annexed with the filing.

- xi. Detail/bifurcation of other expenses (Rs.57.83 crore), legal (Rs 10.54 crore), consultancy (Rs 20.16 crore), professional charges & technical fees (Rs 2.80 crore), Service charges for computerization (Rs 11.79 crore), Other material related expenses (16.56 crore) included in note no. 33 of the financial statements.

**DHBVNL Reply**

The detail of other expenditure Rs. 57.83 Crore is as under: -

Bill reading: Rs. 39.28 Crore

Store and watch: Rs. 3.34 Crore

Bijli Suvidha Kendra: Rs. 5.37 Core

Upkeep of computer: Rs. 1.63 Crore

Sports: Rs. 0.87 Crore

Police Station, water, advertisement, fees, electrical items, photostate charge etc: Rs. 7.34 Crore.

Detail of Legal Charge: - it is submitted that, a sum of Rs. 10.53 Crore has been incurred on account of legal charge as DHBVN whole, out of this Rs. 5.74 Crore was disbursed by AO/EAD and detail of the same has been annexed with the filing.

Detail of professional charge, technical, service charge of computerization and other material related expenditure has been annexed with the filing.

- xii. Detail/bifurcation of expenses booked under the 'Expenditure due to other debits' of Rs. 30.17 Crore in Note no 33 (Other debits) of Audited accounts along with the justification of why it should be allowed in ARR.

**DHBVNL Reply**

Detail of other debits of Rs. 30.17 Crore has been annexed with the filing.

- xiii. Actual subsidy received from State Govt in FY 2024-25 and reasons of shortfall/unpaid subsidy and efforts made by Discoms to recover the same from State Government in

accordance with section 65 of the EA Act 2003. Note 27 of audited accounts- Revenue from Operations, provides for revenue subsidy accounted in books of accounts as under:

| Revenue Subsidy as per Balance Sheet                          | Amount in Crore |
|---------------------------------------------------------------|-----------------|
| Subsidy from State govt. for Agriculture Consumers            | 3,860.22        |
| Subsidy from State Govt. for other than Agriculture Consumers | 227.14          |
| Total                                                         | 4,087.36        |

The details of subsidy receipt from the State Govt. of Haryana for FY 2024-25 are summarized as follows:

| Sr. No. | Particulars                                     | Amount in Crore |
|---------|-------------------------------------------------|-----------------|
| 1       | Subsidy for Agriculture Category                | 3,542.27        |
| 2       | Subsidy for Domestic Category & other Consumers | 227.14          |
| 3       | Total Subsidy Receipt                           | 3,769.41        |

Further, as per note 17, additional disclosure, Subsidy receivable is Rs 971.85 crore. Please reconcile the above figures and explain the reasons for deviation.

### DHBVNL Reply

The details of subsidy booked on accrual basis and actual receipt there against as well as subsidy receivable are as under:

### AP Subsidy

| Year         | Accrued         | Receipt         | Diff./Receivable |
|--------------|-----------------|-----------------|------------------|
| FY 2024-25   | 3,542.27        | 3,198.31        | 343.96           |
| FY 2022-23   | 222.68          | 22.68           | -                |
| FY 2021-22   | 95.27           | -               | 95.27            |
| <b>Total</b> | <b>3,860.22</b> | <b>3,421.00</b> | <b>439.23</b>    |

### Other Subsidy

| Year                       | Accrued       | Receipt      | Diff./Receivable |
|----------------------------|---------------|--------------|------------------|
| Gaushalas,/Dangerous Lines | 15.63         | 15.63        | -                |
| MMC                        | 167.00        | -            | 167.00           |
| Industrial                 | 44.51         | 5.38         | 39.13            |
| <b>Total</b>               | <b>227.14</b> | <b>21.01</b> | <b>206.13</b>    |

Further, the amount shown as Rs 971.85 crores at Note-17 includes subsidy receivable Rs 645.35 crore, FSA subsidy for AP consumers of Rs. 326.50 crores. The details has been annexed with the filing

- xiv. As per audited accounts, Note 17 -Other Current Assets state the amount receivable amounting to Rs 5957.31 crore. Please provide the reasons and bifurcation and detail of the same:

| Account Codes | Particulars                                | As at March 2025 (in Cr) |
|---------------|--------------------------------------------|--------------------------|
| 28.630        | Subsidy receivable from GOH                | 971.85                   |
| 28.8          | Other receivable (Except 28.876, 877, 879) | 4,985.46                 |
|               |                                            | 5,957.31                 |

Further, Note-11 of the audited accounts provides trade receivable for FSA for the FY 2024-25 as Rs. 548.27 crore, the petition states the FSA Receivable for FY 2024-25 as 991.26 and Note-27 of the audited accounts provides that Receivable on account of FSA as Rs. 1532.22 crore.

Also, as per note 1.80 of audited accounts, it is stated that as per amendment, in rule-15 of electricity rule 2015 on dated 26/07/2023, Nigam booked subsidy from govt on Haryana on accrual basis. The effect of above changes in accounting policy has been taken prospectively. Further, as per note 1.28 of audited accounts, it is stated that accounting policy on Subsidy has been changed from actual to accrual due to this amount of Rs. 64535.00 Lakh is recoverable from GOH. The effect of change in accounting policy has been taken prospectively. The effect of previous period i.e upto 31.03.2024 was Rs. 9527.00 Lakhs.

Subsidy booked during FY 2024-25 is to the tune of 386021.87 Lakhs (PY 340426.46 Lakhs) for providing electricity supply to agriculture consumer at subsidized rates and 22952.65 Lakhs (PY 15267.18 lakhs) for providing concessional power supply to Non-AP consumers and etc against which Rs. 344439.53 Lakhs has been received from GOH and Rs. 64535.00 is receivable as on 31.03.2025 from GOH.

Please explain and reconcile the figures.

**DHBVNL Reply**

Detail of 4985.46 Crore has been annexed with the filing. it is further submitted that as per note no. 17, total receivables from Govt. of Haryana is Rs. 971.85 Crore out of this Rs. 645.35 Crore is for AP, Domestic and Industrial subsidy (Rs. 439.22 Crore AP, Rs. 167.00 Crore Domestic MMC, Rs. 39.13 Crore Industrial) as well as Rs. 326.50 Crore FSA subsidy for AP Consumers.

- xv. Details of year-wise and head-wise subsidy receivable from the State Government, as on 31.03.2025 and as on 31.12.2025.

**DHBNL Reply**

The details of year wise and head wise subsidy receivable from the State Govt. as on 31.03.2025 and as on 31.12.2025 has been annexed with the filing. State Govt. has been requested to provide the supplementary budget during the FY 2025-26 to release the pending subsidy.

- xvi. Accounting treatment in the financial in respect of subsidy amounting to Rs. 2.39 crore received from National Electricity Fund (NEF) on account of interest paid to REC. Please also explain the nature of this interest and the purpose of loan.

**DHBNL Reply**

As per subsidy order Rs. 2.39 Crore has been released by Govt. on account of NEF Interest Subsidy paid to REC. So, the same has been credited to interest cost.

- xvii. As per note 1.80 of audited accounts, Delayed payment surcharge has been booked on accrual basis instead of realization basis, accordingly amount of Rs. 57334.73 Lakhs has been booked as income, actual realization against this was Rs. 24999.85 Lakhs. Please provide the financial impact and reason for the same.

**DHBVNL Reply**

As explained at sr. no. 1.9 (C) and 1.80 of notes to accounts accounting policy of surcharge has been changed by Board of Directors and surcharge is booked for accrual basis instead of cash realization. The financial impact of this change is Rs. 323.35 Crore (573.34 Crore - 249.99 crore).

- xviii. As per note 7 of audited accounts, under Other Financial Assets (Non-Current), REC Energy Papers have been shown as Rs 3.48 crore. Please provide the detail of the number of REC purchased and the rate at which purchased along with corresponding entry.

**DHBVNL Reply**

It is submitted that the details of REC is as under:

| Year                            | Particulars                     | Qty (Nos.)         | Amount (Rs.)     | Cost (Rs./REC) |
|---------------------------------|---------------------------------|--------------------|------------------|----------------|
| 2023-24                         | Other RPO                       | 32,28,836          | 1.91             | 5.90           |
|                                 | HPO (Hydro Purchase Obligation) | 3,34,694           | 0.20             | 5.90           |
|                                 | WPO (Wind Purchase Obligation)  | 1,79,818           | 0.11             | 5.90           |
| 2022-23                         | Other RPO                       | 24,06,396          | 1.42             | 5.90           |
|                                 | HPO (Hydro Purchase Obligation) | 2,64,245           | 0.16             | 5.90           |
|                                 | WPO (Wind Purchase Obligation)  | 1,730              | 0.00             | 5.90           |
| Particulars                     |                                 | REC                | Qty (Nos.)       | Amount (Rs.)   |
| Opening as on 01.04.2024        |                                 | REC                | 26,72,371        | 1.58           |
| Add: Purchase During FY 2024-25 |                                 | REC Purchase       | 37,43,348        | 2.21           |
| Less: Sold during FY 2024-25    |                                 | REC Sold           | 5,12,548         | 0.30           |
| <b>Closing as on 31.03.2025</b> |                                 | <b>REC Balance</b> | <b>59,03,171</b> | <b>3.48</b>    |

- xix. Regarding power purchase, please provide the following: -
- Details of Short-term power purchased from power exchanges, in the FY 2024-25 and FY 2025-26 till date (in MUS and in Rs.) as well as minimum rate, maximum rate and average rate at which such power was procured.



### Reply DHBVNL

It is submitted that the desired information is as under and detail of the same has been annexed with the filing.

| 2024-25          |                 |               | 2025-26 (upto Nov-25) |                 |               |
|------------------|-----------------|---------------|-----------------------|-----------------|---------------|
| Quantum (in MUs) | Amount (in Rs.) | Rate per unit | Quantum (in MUs)      | Amount (in Rs.) | Rate per unit |
| 1050.71          | 596.21          | 5.67          | 545.38                | 226.06          | 4.15          |

Further, the minimum rate, maximum rate and average rate at which such power was procured is as under:

| Year                  | Minimum | Maximum | Average Landed Cost |
|-----------------------|---------|---------|---------------------|
| 2024-25               | 0.35    | 10.00   | 5.86                |
| 2025-26 (Upto Dec 25) | 0.70    | 10.00   | 4.10                |

- b. Details of Shon-term power purchased under bidding, in the FY 2024-25 and FY 2025-26 till date (in MUS and in Rs.) as well as minimum rate, maximum rate and average rate at which such power was procured.

### Reply DHBVNL:

It is submitted that the desired information is as under and the detailed excel for Query No. 19 has been annexed with the filing

| 2024-25          |                     |               | 2025-26 (upto Nov-25) |                 |               |
|------------------|---------------------|---------------|-----------------------|-----------------|---------------|
| Quantum (in Mus) | Amount (in Rs. Cr.) | Rate per unit | Quantum (in Mus)      | Amount (in Rs.) | Rate per unit |
| 6965.46          | 4,554.71            | 6.54          | 4872.36               | 2,982.28        | 6.12          |

Further, the minimum rate, maximum rate and average rate at which such power was procured is as under:

| Year                  | Minimum | Maximum | Average |
|-----------------------|---------|---------|---------|
| 2024-25 (NIT-108,110) | 6.20    | 9.09    | 6.79    |
| 2024-25 (NIT-115)     | 6.30    | 8.22    | 7.32    |
| 2025-26 (Upto Dec 25) | 5.99    | 7.50    | 5.87    |

- c. Details of Medium-term power purchased under bidding, in the FY 2024-25 and FY 2025-26 till date (in MUs and in Rs.) as well as minimum rate, maximum rate and average rate at which such power was procured.

### Reply DHBVNL:

It is submitted that the desired information is as under and the detailed excel for Query No. 19 has been annexed with the filing

- d. Details of backing down of power tied up under Long term and Medium term PPA.

### Reply DHBVNL:

It is submitted that the desired information is as under and the detailed excel for Query No. 19 has been annexed with the filing

| 2024-25          |                    |               | 2025-26 (upto Nov-25) |                     |               |
|------------------|--------------------|---------------|-----------------------|---------------------|---------------|
| Quantum (in Mus) | Amount (in Rs. Cr) | Rate per unit | Quantum (in Mus)      | Amount (in Rs. Cr.) | Rate per unit |
| 4721.91279       | 2,248.17           | 4.76          | 3578.107743           | 1,357.04            | 3.79          |

Further, the minimum rate, maximum rate and average rate at which such power was procured is as under:

| Year                  | Minimum | Maximum | Average Landed Cost |
|-----------------------|---------|---------|---------------------|
| 2024-25               | 0.73    | 10.00   | 4.76                |
| 2025-26 (Upto Dec 25) | 0.02    | 10.00   | 3.97                |

- e. Details of Energy sold in power exchanges during FY 2024-25 and FY 2025-26 till date (in MUs and in Rs.), during the period for which medium term and short-term power was got approved from the Commission.

### DHBVNL Reply

It is submitted that the details of the desired information has been annexed with the filing

- f. Details of backing down of power tied up under long term and Medium term PPA.

### DHBVNL Reply

Block wise day wise details of backing down of power tied up under long term and Medium term PPA at Haryana level has been annexed with the filing

- g. Total power purchase quantum of discoms during the FY 2024-25 was 76481.74 MUs. Discoms need to provide the energy balance details of the same, showing the quantum sold out of the same.

### DHBVNL Reply

It is submitted that the detail of the desired information has been annexed with the filing and energy balance at Haryana level is as follows:

| Particulars                                  | Units      | FY 2024-25 Haryana-Actuals |
|----------------------------------------------|------------|----------------------------|
| Total Power purchase                         | Mus        | 76,481.74                  |
| Sale outside the State including Banking &UI | Mus        | 6,562.16                   |
| Purchase for sale within the state (1-2)     | Mus        | 69,919.74                  |
| Less Transmission losses                     | Mus        | 2,257.25                   |
| Transmission Losses                          | %age       | 3.23%                      |
| Power available for sale                     | Mus        | 67,662.49                  |
| <b>Total Sales</b>                           | <b>Mus</b> | <b>60,978.54</b>           |

|                          |             |                 |
|--------------------------|-------------|-----------------|
| <b>Distribution Loss</b> | <b>%age</b> | <b>9.88%</b>    |
| <b>Distribution Loss</b> | <b>MUs</b>  | <b>6,683.95</b> |

- h. Details of open access charges of Rs. 247.31 crore paid during the FY 2024-25 along with justification for the same.

**DHBVNL Reply**

It is submitted that the detail of Open Access charge has been annexed with the filing.

Further, it is intimated that Open Access charges was reimbursed to the Medium-term power purchase & Short-term power purchase firms due to following reasons:

Medium term: The amount paid towards open access charges resulted from congestion in the transmission corridor during peak season. This congestion occurred because the availability of General Network Access (GNA) was insufficient to meet the high electricity demand of the peak/ summer season.

Short term: The amount paid towards open access charges to short term firms on account of power scheduled under TGNA.

- i. Details of prior period cost – UHBVNL Rs 719.67 crore and DHBVNL Rs. 1063.78 crore (Total: Rs. 1783.45 crore), included in the power purchase cost for the FY 2024-25, along with the proper reason & justification for the same (Note 20 of audited accounts)

**DHBVNL Reply**

The desired information has been prepared and has been annexed with the filing detailing project wise month wise payment details of prior period costs considered during FY 2024-25. The main reasons of the same was revision of Annual Fixed Cost, Variable cost, and Change in Law etc. as per the orders of CERC and HERC.

- j. Actual Power purchase Cost excel sheet with quantum and sources along with fixed and variable cost, also stating inter and intra generation, for FY 2024-25, FY 2025-26 and projected for FY 2026-27.

**DHBVNL Reply**

MIS Sheet consisting actual Power purchase Cost (fixed and variable cost), quantum (Schedule energy), sources and stating inter and intra generation, for the period 2024-25 & 2025-26 (upto Nov-25) and Projection for FY 2026-27 has been annexed with the filing

- k. Total power purchase during the FY 2024-25 has been given as 76481.74 Mus. Further, the same has been bifurcated into UHBVNL as 31388.67 Mus and DHBVNL as 45143.23 Mus,

aggregating to 76531.90 Mus. Thus, a difference of 50 Mus (76481.74 minus 76531.90) need to be explained.

**DHBNL Reply**

It is submitted that the details of Power purchase units are as under:

Total Power Purchase      76481.89 MUs

UHBVN power purchase - 31338.66 MUs

DHBVN power purchase - 45143.23 MUs

So, there is no difference in DISCOM wise bifurcation and at Haryana level.

- xx. Consumer category wise, Fixed charges recovered during the FY 2025-26. Also provide, the impact on the fixed charges recoverable by DHBVNL, in case the same are levied based on the actual load/MDI (maximum demand indicator) load instead of sanctioned contract demand/connected load. An impact on the fixed charges may also be provided, in case the same are levied on Domestic consumers having consumption exceeding 500 units.

**DHBVNL Reply**

The detail has been annexed with the filing

- xxi. The following information for the FY 2024-25 may be provided in excel format, in line with Regulation 67.3 of MYT regulation 2024: -

i, Category wise Sales (in MUS end Rs)

ii. Category-Wise Break up of Revenue Billed

Fixed Charges,

Energy Charges,

Fuel Adjustment Surcharge etc.

iii. Category-wise Revenue Collected and billed

**DHBVNL Reply**

Detail has been annexed with the filing.

- xxii. Details of Impact of variation in capitalization (Rs. 16.61 crore), considered while computing revenue gap for the FY 2024-25. Provide details and justification for the same.

**DHBVNL Reply**

It is respectfully submitted that the impact of variation in capitalisation amounting to Rs. 16.61 crore has been considered while computing the Revenue Gap for FY 2024-25 strictly

in accordance with the provisions of the HERC (Terms and Conditions for Determination of Tariff under Multi Year Tariff Framework) Regulations, 2019.

In terms of Regulation 18.1(b) of the HERC MYT Regulations, 2019, any variation between the projected capitalisation approved in the tariff order and the actual capitalisation determined at the time of true-up, beyond the specified threshold, is required to be adjusted in the Revenue Gap or Surplus of the relevant year, along with applicable interest, as per the regulatory mechanism.

The Regulation, inter alia, provides that:

- Where excess tariff is recovered on account of variation in projected capitalisation vis-à-vis true-up capitalisation exceeding 10%, such excess recovery shall be adjusted in the Revenue Gap/Surplus of the relevant year along with interest at 1.20 times the bank rate prevailing on 1st April of the respective year.
- Where the variation arises due to reasons beyond the control of the Distribution Licensee, such as delay in in-principle approval of schemes, road-cutting permissions from concerned agencies, statutory clearances, etc., the adjustment is to be carried out with interest at the bank rate prevailing on 1st April of the respective year.
- Where there is a shortfall in tariff recovery on account of lower capitalisation as compared to projections beyond the 10% threshold, such shortfall is required to be adjusted in the Revenue Gap/Surplus with interest at 0.80 times the bank rate.

Accordingly, the variation of Rs. 16.61 crore represents the regulatory adjustment arising from the difference between the projected capitalisation approved in the tariff order and the actual capitalisation determined during true-up, and the same has been factored into the Revenue Gap computation for FY 2024-25 strictly in line with the above provisions.

Thus, the adjustment of Rs. 16.61 crore towards variation in capitalisation is purely regulatory in nature, mandated under Regulation 18.1(b) of the HERC MYT Regulations, 2019, and does not involve any discretionary treatment by the Distribution Licensee.

In view of the above, it is respectfully submitted that the impact of variation in capitalisation has been correctly computed, appropriately adjusted, and fully justified within the governing regulatory framework, and therefore merits consideration by the Hon'ble Commission accordingly.

xxiii. A reconciliation of FSA recoverable booked in the financial statements for the FY 2022-23, FY 2023-24 and FY 2024-25 year-wise recovery made since then and closing balance as on 31.03.2025. Further, the FSA recovered for the FY 2022-23, FY 2023-24, FY 2024-25 and FY 2025-26 from 01.04.2025 to 30.12.2025, may also be provided. A concrete recovery plan in respect of balance FPPAS recoverable, separately for the FY 2022-23, FY 2023-24, FY 2024-25 and FY 2025-26 including the efforts made by the Discoms to achieve the recovery plan.

Detailed break-up and bifurcation of Non-Tariff Income of Rs 1,036.43 crore considered during true up may be provided

Also provide the details and reasons for non-inclusion of Delayed payment surcharge from consumers (Rs 573.35 crore) and Discount on timely payment of Energy Charges (Rs 156.27 crore) in the true-up for the FY 2024-25, needs to be explained. Further, details of late payment surcharge forming part of power purchase cost, paid to power producers may be provided.

#### **DHBVNL Reply**

The year-wise details of FSA received from State Govt. are given as under: -

| <b>FY</b> | <b>Nature</b>      | <b>Amount (In Crores.)</b> | <b>Remarks</b>              |
|-----------|--------------------|----------------------------|-----------------------------|
| 2022-23   | AP FSA             | 136.25                     | Received                    |
| 2023-24   | AP FSA             | 616.45                     | Received                    |
| 2024-25   | AP FSA             | 214.76                     | Received                    |
|           | Non-AP FSA         | 123.89                     | Received                    |
|           | AP FSA             | 197.51                     | Receivable from State Govt. |
|           | Non-AP FSA         | 128.99                     | Receivable from State Govt. |
|           | <b>Gross Total</b> | <b>1,417.85</b>            |                             |

Further, the reconciliation & realization of the FSA is provided below:

| <b>Months</b>      | <b>Assessed (In Rs.)</b> | <b>Realized (In Rs.)</b> |
|--------------------|--------------------------|--------------------------|
| DS                 | 3,260,590,078            | 3,067,126,836            |
| HT                 | 5,588,589,999            | 5,488,851,742            |
| LT                 | 1,525,363,670            | 1,490,109,818            |
| LIFT IRRIGATION    | 112,632,969              | 74,676,206               |
| BLUK SUPPLY        | 845,762,083              | 743,989,162              |
| STREET LIGHT       | 39,993,533               | 26,014,492               |
| PWW                | 325,733,109              | 269,288,308              |
| OTHERS             | 3,622,777                | 2,938,446                |
| <b>Grand Total</b> | <b>11,702,288,217</b>    | <b>11,162,995,010</b>    |

Further, the non-inclusion delayed payment surcharge from consumers (Rs. 573.35 crore) and Discount on timely payment of energy charges (Rs. 156.27 crore) in the true-up for FY 2024-25 is in accordance with Regulation 69.2 of the HERC (Multi Year Tariff)

Regulations, 2019. The same is also in accordance with the treatment done in earlier True-Up Orders by the Hon'ble Commission.

The detailed breakup of non-tariff income is provided below:

| Particulars                                             | FY 2024-25 (in Rs. Cr.) |
|---------------------------------------------------------|-------------------------|
| Interest on Staff Loans and advances                    | 3.60                    |
| Interest on Fixed Deposits with Banks                   | 5.27                    |
| Interest Income on Provident Fund                       | 28.59                   |
| Rent from Residential Building                          | 0.77                    |
| <i>Delayed Payment Surcharge</i>                        | 573.35                  |
| Meter Service Rental                                    | 0.84                    |
| Miscellaneous charges from consumers                    | 30.80                   |
| Recovery of theft of power                              | 33.08                   |
| Misc. Receipts (except 62.901&62.908)                   | 360.14                  |
| <b>TOTAL</b>                                            | <b>1,036.43</b>         |
| Less: Delayed Payment Surcharge from Consumer           | 573.35                  |
| Less: Discount on timely payment of Energy Charges      | 156.27                  |
| Less: Discount on timely payment of Supplier/Contractor |                         |
| <b>Net Non-Tariff Income</b>                            | <b>306.82</b>           |

- xxiv. Detail of Penalties arising from Commission's order, courts / tribunal, CGRF / Ombudsman are not be allowed to be recovered through ARR, the licensee may provide details of any such penalties included in the true up proposal for the FY 2024-25. (In accordance with Regulation 8.3 (2nd proviso) of MYT Regulation 2024).

#### **DHBVNL Reply**

It is respectfully submitted that no penalties arising from any orders of the Hon'ble Commission, any Court or Tribunal, or from proceedings before the Consumer Grievance Redressal Forum (CGRF) or Electricity Ombudsman have been included or proposed for recovery through the Aggregate Revenue Requirement (ARR) or True-up for FY 2024–25. In accordance with the second proviso to Regulation 8.3 of the HERC (Terms and Conditions for Determination of Tariff under Multi Year Tariff Framework) Regulations, 2024, penalties arising from orders of the Commission, Courts, Tribunals, CGRF or Ombudsman are not allowable as pass-through in ARR.

The True-up proposal for FY 2024–25 has been prepared strictly in compliance with the said regulatory provision, and it is clarified that no such penalties form part of the costs claimed in the True-up Petition.

Accordingly, no adjustment on this account arises for consideration in the ARR or True-up for FY 2024–25.

- xxv. Segregated Accounts with basis of allocation: Regulation 7.1 of MYT Regulations, 2019 provides that the distribution licensee shall prepare an allocation statement to apportion costs and revenues to respective business. The allocation statement shall be approved by the Board of Directors of the distribution licensee and accompanied with an explanation of the methodology which should be consistent over the control period under these Regulations, DHBVNL has not submitted the segregated accounts along with basis of allocation. So, please provide the same in soft copy as well.

**DHBVNL Reply**

Segregated accounts has been annexed with the filing

- xxvi. Assessment of financial and physical progress of Capital Expenditure under each head vis-a-vis the schedule submitted and approved by the Commission for FY 2024-25. In case of any deviation in Capital Expenditure including Capitalization, the generating company/licensee shall submit a detailed justification at the time of true-up. The loan drawl should be matched with physical progress of Capital Works undertaken under each head. (In accordance with Regulation 4.3 (f)(viii) of MYT regulation 2024),

**DHBVNL Reply**

The details of financial and physical progress of Capital Expenditure under each head vis-a-vis the schedule submitted has been annexed with the filing.

- xxvii. The licensee may confirm that neither penal interest nor overdue interest forms part of the ARR and true up proposed. (In accordance with Regulation 21.2 (i) (2nd proviso) of MYT Regulation 2024).

**DHBVNL Reply**

It is respectfully confirmed that neither penal interest nor overdue interest forms part of the Aggregate Revenue Requirement (ARR) or the True-up proposed for FY 2024–25.

This is in strict compliance with the second proviso to Regulation 21.2(i) of the HERC (Terms and Conditions for Determination of Tariff under Multi Year Tariff Framework) Regulations, 2024, which expressly provides that penal interest and overdue interest shall not be allowed as pass-through in ARR.

Accordingly, no amount on account of penal interest or overdue interest has been claimed or considered in the ARR and True-up submissions placed before the Hon'ble Commission.



- xxviii. Distribution Licensee shall submit the utilization of funds allocated for DSM schemes and shall maintain separate records of Revenue/Expenditure related to individual DSM schemes approved by the Commission. (In accordance with Regulation 66 (1st proviso) of MYT regulation 2024).

**DHBVNL Reply**

DHBVN has not availed or utilized any funds for DSM schemes till date. Accordingly, no revenue or expenditure has been incurred and sperate records for DSM schemes are not applicable at present.

- xxix. Detailed reasoning of having short term loans (CC/OD etc) of Rs. 1346.88 crore (note no, 23) as on 31.03.2025 and at the same time keeping Rs. 57.55 crore (note no, 12) balance in the bank.

**DHBVNL Reply**

The balance of 57.55 crore (note-12) balance in the bank was received on account of day end late hours revenue transferred by various collection banks which cannot be transferred in CC/OD account on same day. The working capital Demand Loans (WCDL) are generally drawn for the payment of energy bills/other day to day expenses. Therefore, to optimise the interest cost the CC limits/WCDL is drawn and the revenue received was utilized in adequate manner.

- xxx. Year-wise aging of net trade receivables (Rs. 5398.95 crore) appearing under note 1.30 of the financial statements.

**DHBVNL Reply**

Year wise ageing of Net Receivables has been annexed with the filing.

- xxxi. As per Note 1.81 of audited accounts, it is stated that in FY 2023-24 Company discovered an error in the accounting treatment of adjustments made to customers' accounts during the settlement of bill revision cases, surcharge waiver schemes, and other similar adjustments in the books of accounts. These adjustments were incorrectly applied exclusively against receivables for SOP, instead of being allocated across the various billing components such as sale of power, surcharge, FSA, fixed charges, electricity duty, and municipal tax. This resulted in an understatement of receivables related to SOP and an overstatement of other receivables, such as Surcharge, FSA, and related items.

Please explain the accounting treatment undergone in above case and its impact on financial statements.

**DHBVNL Reply**

As stated at sr. no. 1.81 of notes to accounts, company discovered an error of excess provisioning Rs. 671.31 Crore was discovered and decided to spread its reversal impact in 2 years i.e. Rs. 835.15 Crore in FY 2023-24 and Rs. 835.15 crore in FY 2024-25. Accordingly, the same has been reversed back by debiting provision / liabilities note no. 26 and crediting to exceptional item income.

- xxxii. Editable excel file of the additional disclosure statements of financial statements (refer to note 1.62 of audited accounts)

**DHBVNL Reply**

Additional disclosures have been annexed with the filing.

- xxxiii. Consumer category and sub category wise distribution losses for the FY 2024-25, FY 2025-26 (upto 31.12.2025) may be provided.

**DHBVNL Reply**

It is humbly submitted to the Hon'ble Commission that consumer category and sub-category wise distribution losses are not prepared by Nigam due to the fact that feeder wise units' receipt could not be bifurcated into consumer categories (DS, NDS, LT, HT etc.)

- xxxiv. Voltage wise estimated losses for all consumer categories.

**DHBVNL Reply**

It is submitted that estimated technical losses for FY 2024-25 have been annexed with the filing

- xxxv. Calculation details of DA rate/amount of Rs 322.90 crore and capitalisation amount of Rs 17.10 crore for the year 2026-27 while projecting employee expenses to be provided.

**DHBVNL Reply**

The calculation of DA rate has been annexed with the filing

- xxxvi. The percentage of retirement/disposal of assets taken in FY 2026-27 while computing GFA, to be provided.

**DHBVNL Reply**

It is submitted that the calculation of retirement/disposal of assets for FY 2025-26 and FY 2026-27 have been calculated on the ratio of actual retirement/disposal of assets as per

audited accounts for FY 2024-25. The calculation for the same has been annexed with the filing.

- xxxvii. IDC percentage taken in FY 2026-27 while computing CWIP, to be provided.

**DHBVNL Reply**

The IDC percentage has been considered as Last Financial Year SBI MCLR of 9% and 150 base points above as per regulation for calculation of Interest for loans. The calculation for the same has been annexed with the filing.

- xxxviii. Calculation details for projected eligible ROE including opening and additions for eligible ROE for FY 2026-27, to be provided.

**DHBVNL Reply**

The Calculation of Return on Equity has been done as per Regulations 19 & 20 of HERC MYT Regulations, 2024. The detailed calculation pertaining to arrival of RoE has been annexed with the filing.

- xxxix. As per HERC MYT Regulations, the licensee needs to provide consumers category wise CoS and a proposal of reduction of cross subsidy. CoS study has been received separately but no proposed for reduction in cross subsidy found with the petition.

**DHBVNL Reply**

The level of cross subsidy in the existing retail supply tariff structure is well within the range of +/- 20% of average cost of supply as specified in the Clause 8.3 (Tariff Design: Linkage of Tariff to the Cost of Service) of the National Tariff Policy, 2016. It is imperative that due to the concerted efforts of the Discoms the distribution losses have reduced consistently over the years.

Further, in this regard, Section 42 of the Electricity Act 2003 categorically specifies that cross subsidies shall be progressively reduced in the manner as may be specified by the State Commission. Relevant extract of the Act is as follows:

*“The State Commission shall introduce open access in such phases and subject to such conditions, (including the cross subsidies, and other operational constraints) as may be specified within one year of the appointed date by it and in specifying the extent of open access in successive phases and in determining the charges for wheeling, it shall have due regard to all relevant factors including such cross subsidies, and other operational constraints:*

*Provided that such open access shall be allowed on payment of a surcharge in addition to the charges for wheeling as may be determined by the State Commission:*

*Provided further that such surcharge shall be utilised to meet the requirements of current level of cross subsidy within the area of supply of the distribution licensee:*

*Provided also that such surcharge and cross subsidies shall be progressively reduced in the manner as may be specified by the State Commission.”*

- xl. The cumulative revenue deficit for FY 2026-27 has been projected as Rs 4484.71 Cr, licensee to provide the concrete plan for bridging this gap.

#### **DHBVNL Reply**

It is submitted that Aggregate Revenue Requirement (ARR) for the FY 2026-27 has been projected based on the provisions specified in the HERC MYT Regulations, 2024 for projecting financial and operational parameters. Revenue for FY 2026-27 has been proposed by considering the projected energy sales, as per the methodology approved by the Hon'ble Commission in past Tariff Orders and the existing retail supply tariff approved by the Hon'ble Commission in Tariff Order dtd. 28.03.2025. Accordingly, Revenue Gap has been computed based on the difference between ARR and Revenue projected for FY 2026-27 which is Rs. 4,484.71 Crores for Haryana Discoms (cumulative revenue gap till end of FY 2026-27).

Further, this is to submit that DHBVN has been able to reduce its losses substantially over the past few years. DHBVN has significantly reduced the AT&C losses from 21.14% to 9.54% from FY 2016-17 to FY 2024-25 and is on the path to optimize its operations which will definitely result in increase in Revenue for the DISCOM.

DHBVN is also continuously putting earnest endeavours to improve its operational efficiency. Accordingly, the reduction in operational cost can be one more avenue to reduce the projected gap. Further, sustained focus on loss-reduction measures, strengthening of billing and collection mechanisms, and optimization of power purchase costs would contribute towards bridging the existing revenue gap.

**Electricity (Amendment) Rules, 2024 dtd. 10/01/2024 formulated by Ministry of Power, GoI**, stipulates that tariff shall be cost reflective and there shall not be any gap between approved Annual Revenue Requirement and estimated annual revenue from approved tariff. In line with the above Rules stipulated by the MoP, it is submitted that the Discoms

may be allowed Cost Reflective Tariff such that there shall not be any gap between ARR and revenue as approved by the Hon'ble Commission for FY 2026-27.

- xli. In order to work out consumers category wise revenue, details i.e. consumers category wise sale/ connected load connected load in kW / kVA/ number of consumers, for last five years. Sales / demand forecast for each consumer category and sub-categories and the methodology and rationale used, in line with regulation 60.1 i.e. monthly category and sub category wise

Also, the excel sheet with sale revenue projections consumer category wise with connected load (%age used) may be provided for FY 2026-27.

**DHBVNL Reply**

The category wise Revenue; along with details of consumers category wise sale/ connected load connected load in kW / kVA/ number of consumers, for last five years. Sales / demand forecast for each consumer category and sub-categories and the methodology and rationale used, in line with regulation 60.1 i.e. monthly category and sub category wise and excel sheet with sale revenue projections consumer category wise with connected load (%age used) for FY 2025-26 & FY 2026-27 has been annexed with the filing.

- xlii. Details of banking arrangement — Energy banked, banked energy taken back, revenue accrued on default etc. is required to be provided.

**DHBVNL Reply:**

It is submitted that the details of banking arrangement- Energy banked, energy taken back is as under:

| Energy Banked but Outstanding for Taking Back as on 31.12.2025 |                                                 |                                                           |                                                              |                                                        |                                                 |
|----------------------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------|
| Utility                                                        | Total Banked Quantum (in MU) received in May 24 | Total banked quantum (MU) returned by HPPC during feb -25 | Total banked quantum (MU) by HPPC during Dec. 24 to April 25 | Total Banked Quantum (in MU) received as on 31.10.2025 | Total banked quantum (MU) by HPPC during Dec 25 |
| Meghalaya power Distribution Corp. Ltd.                        | 16.8                                            | 17.64                                                     |                                                              |                                                        |                                                 |
| Uttarakhand Power Corp. Ltd                                    |                                                 |                                                           | 616.8125                                                     | 641.52                                                 |                                                 |
| Meghalaya power Distribution Corp. Ltd.                        |                                                 |                                                           | 148.8                                                        | 156.24                                                 |                                                 |

| Energy Banked but Outstanding for Taking Back as on 31.12.2025 |                                                 |                                                           |                                                              |                                                        |                                                 |
|----------------------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------|
| Utility                                                        | Total Banked Quantum (in MU) received in May 24 | Total banked quantum (MU) returned by HPPC during feb -25 | Total banked quantum (MU) by HPPC during Dec. 24 to April 25 | Total Banked Quantum (in MU) received as on 31.10.2025 | Total banked quantum (MU) by HPPC during Dec 25 |
| Andhra Power Distribution Corp. Ltd.                           |                                                 |                                                           | 381.6                                                        | 400.68                                                 |                                                 |
| Meghalaya power Distribution Corp. Ltd.                        |                                                 |                                                           |                                                              |                                                        | 37.2                                            |

- xlili. The distribution licensee shall indicate consumer category-wise open access consumers. The demand and energy wheeled for them shall be shown separately. (In accordance with Regulation 60.5 of MYT regulation)

**DHBVNL Reply:**

The consumer category-wise open access consumer, demand and energy wheeled for the same has been annexed with the filing.

- xliv. Actual losses including feeder wise loss levels in the FY 2024-25, FY 2025-26 and expected for the FY 2026-27 and beyond. (In accordance with Regulation 8.3.4 (3rd proviso) of MYT regulation 2024 and in accordance with Regulation 59.1 (d) (1st proviso) of MYT regulation 2024).

**DHBVNL Reply:**

It is submitted that feeder wise loss levels for FY 2024-25 has been annexed with the filing and feeder wise loss levels for FY 2025-26 (up to Nov, 2025) has been annexed with the filing.

Further, it is humbly submitted before the Hon'ble Commission that the feeder loss level for the ensuing years will be kept within the specified limits for Urban and Rural areas.

- xliv. DHBVNL has claimed sharing of gain of Rs 38.90 crore in O&M expenses by reducing O&M to Rs 1,650.60 crore (as against the approved Rs 1,723.40 crore). In this regard. DHBVNL may provide the details of increase in A&G expenses.

**DHBVNL Reply:**

As per Audited Annual Accounts A&G expenditure has been reduced from 203.82 crore to 196.40 crore in FY 2024-25. However, approved A&G on normative basis is Rs. 166.49

crore as per tariff order dated 05.03.2024. The major components of A&G expenditure are as under: -

- a. Lease line expenditure Rs. 2.25 crore.
- b. Call centre expenditure Rs. 4.25 crore.
- c. Legal charge Rs. 10.53 crore.
- d. Consultancy Rs. 20.15 crore
- e. Bill reading Rs. 39.28 crore.
- f. Store and watch Rs. 3.34 crore.
- g. Bijli Suvidha Rs. 5.37 crore
- h. Hiring of Vehicle Rs. 28.00 crore.
- i. TA of Staff Rs. 5.32 crore
- j. Heavy vehicle diesel Rs. 1.25 crore
- k. Auction commission Rs. 1.50 crore
- l. Marchant discount Rs. 9.13 crore
- m. Material/Samples testing Rs. 3.88 crore

- xlvi. The methodology for calculating energy injected into the system and treated as dumped on account of various reasons such as unutilized banked power, excess rooftop solar generation, unscheduled power etc. Further, its accounting and treatment while calculating distribution losses, may be explained.

**DHBVNL Reply:**

"The surplus energy dumped by renewable generating sources into the grid is unwanted energy which is dumped into the system due to poor demand at local level. The same may at times may create huge implication of imbalance charges on Discoms. Thus, such quantum of energy may get auto accounted under the UI settlement mechanism."

- xlvii. Consumer category wise COS to be provided with complete back-end data and detailed calculations. The same be uploaded on the website also and a public notice be issued inviting comments/suggestions/objections from stakeholders.

**DHBVNL Reply:**

It is submitted that consumer category-wise Cost of Supply (COS) for the FY 2024-25 has been uploaded on the DHBVN website along with the supporting backend data and

detailed calculations and has been annexed with the filing. Further, issuance of inviting notice public comments/suggestions/objections from stakeholders is under process.

- xlvi. DISCOMs have projected revenue gap of Rs. 4485 Crore, even after making a provision for FPPAS receivable amounting to Rs. 1681.24 crore., without providing any concrete action plan to bridge this gap, quantifying the gap to be met from efficiency gain, cost cutting, reduction in power purchase cost, tariff hike etc. In this regard, the specific proposal of the Discoms for the quantum (Rs./unit) of consumer category-wise tariff hike as well as the amount (Rs/crore), in order to meet the revenue gap, be provided.

**DHBVNL Reply:**

It is submitted that Aggregate Revenue Requirement (ARR) for the FY 2026-27 has been projected based on the provisions specified in the HERC MYT Regulations, 2024 for projecting financial and operational parameters. Revenue for FY 2026-27 has been proposed by considering the projected energy sales, as per the methodology approved by the Hon'ble Commission in past Tariff Orders and the existing retail supply tariff approved by the Hon'ble Commission in Tariff Order dtd. 28.03.2025. Accordingly, Revenue Gap has been computed based on the difference between ARR and Revenue projected for FY 2026-27 which is Rs. 4,484.71 Crores for Haryana Discoms (cumulative revenue gap till end of FY 2026-27).

Further, this is to submit that DHBVN has been able to reduce its losses substantially over the past few years. DHBVN has significantly reduced the AT&C losses from 21.14% to 9.54% from FY 2016-17 to FY 2024-25 and is on the path to optimize its operations which will definitely result in increase in Revenue for the DISCOM.

DHBVN is also continuously putting earnest endeavours to improve its operational efficiency. Accordingly, the reduction in operational cost can be one more avenue to reduce the projected gap. Further, sustained focus on loss-reduction measures, strengthening of billing and collection mechanisms, and optimization of power purchase costs would contribute towards bridging the existing revenue gap.

**Electricity (Amendment) Rules, 2024 dtd. 10/01/2024 formulated by Ministry of Power, GoI**, stipulates that tariff shall be cost reflective and there shall not be any gap between approved Annual Revenue Requirement and estimated annual revenue from approved



tariff. In line with the above Rules stipulated by the MoP, it is submitted that the Discoms may be allowed Cost Reflective Tariff such that there shall not be any gap between ARR and revenue as approved by the Hon'ble Commission for FY 2026-27.

- xlix. The consumer-category wise subsidy proposed to be provided during the FY 2026-27 (per unit quantum and total value).

**DHBVNL Reply:**

It is submitted that subsidy has been projected for only AP consumers for FY 2025-26 & FY 2026-27 on the projected sales (as per the methodology prescribed by the Hon'ble HERC) for the respective year at LT CoS approved in Tariff Order dt. 28.03.2025. The detailed calculation has been annexed with the filing

- l. Within 7 (seven) days of filing of the application for mid-year performance review and true-up, shall publish for information of the public, the contents of the application filed with the Commission for mid-year performance review, true up of previous year and approval of tariff for the ensuing year in an abridged form in such manner as the Commission may direct and shall provide copies of the application and other documents filed with the Commission at a price not exceeding normal photocopying charges. The generating company and the licensees shall also host the application and other documents at their official websites. (In accordance with Regulation 11.2 of MYT regulation), Nigam is to provide the copy of publishing of public notice in newspapers in compliance of the above.

**DHBVNL Reply:**

The public notice for Tariff petition in accordance with Regulation 11.2 of MYT regulation has been annexed with the filing. Further the link for the Petition for the official website of DHBVN is provided below:

- li. Half year accounts along with audit report for FY 2025-26, especially for having a view on consumer category wise sale trend.

**DHBVNL Reply:**

Half yearly accounts with audit report for FY 2025-26 has been annexed with the filing.

- lii. Information related to Technical.
- a. Month wise AP actual consumption data for the FY 2024-25 and FY 2025-26(up to Sep, 2025) as per the methodology prescribed by the Commission along with following details:

- I. AP consumption of segregated AP feeders (in MUS)
- II. Normative AP consumption considering 16% of loss
- III. AP Billing of consumers on feeder other than AP feeder (in MUS)
- IV. Consumption of other category consumers on AP Feeders (in MUS)
- V. Net Normative AP Consumption (in MUS)

**DHBVNL Reply:**

The Month wise AP actual consumption data for the FY 2024-25 and FY 2025-26(up to Sep, 2025) as per the methodology prescribed by the Commission has been annexed with the filing

- b. Cumulative information regarding failure rate of transformers under warranty/out of warranty separately for rural & urban area during FY 2024-25 and 2025-26 (up to Sept, 2025) be provided on the following format:

**DHBVNL Reply:**

The information regarding failure rate of transformers under warranty/out of warranty separately for rural & urban area during FY 2024-25 and 2025-26 (up to Sept, 2025) has been annexed with the filing.

- c. Details of pending connections, category wise vis-a-vis their respective load for FY 2024-25 i.e. status as on 31.03.2024, applications received and released during FY 2024-25 and 01.04.2025 to 30.09.2025 along with reasons of pendency, if any on the following format:

**DHBVNL Reply:**

The details of pending connection has been annexed with the filing

- d. Details of three phase and single-phase defective meters pending in the urban and rural area separately along with the details of meters replaced in FY 2024-25 vis-a-vis pending in FY 2025-26 (up to Sept, 2025) on the following format:

**DHBVNL Reply:**

The details have been annexed with the filing.

- e. Details of replacement/pendency of electromechanical meters replaced in FY 2024-25 and pending for FY 2025-26 (up to Sept. 2025) on the following format:

**DHBVNL Reply:**

The detailed have been annexed with the filing.

- f. Information regarding distribution losses and AT&C losses for FY 2025-26 (up to Sept, 2025) on the following format:

**DHBVNL Reply:**

The details have been annexed with the filing.

- g. Details of collection efficiency in rural and urban area separately during FY 2024-25 and FY 2025-26 along with cumulative figures of collection efficiency on the following format. Collection efficiency 2024-25.

**DHBVNL Reply:**

The details have been annexed with the filing.

- h. Details regarding feeders having distribution losses more than 25% in urban area and 50% in rural area vis-a-vis total population of such feeders in the beginning of FY 2023- 24 and FY 2024-25 along with comparison of progress in FY 2024-25(April-Sept 2024) and FY 2025-26(April-Sept 2025).

**DHBVNL Reply:**

The details of feeders having distribution losses more than 25% in urban area and 50% in rural area vis-a-vis total population of such feeders in the beginning of FY 2023- 24 and FY 2024-25 along with comparison of progress in FY 2024-25(April-Sept 2024) and FY 2025-26(April-Sept 2025) has been annexed with the filing.

- i. A progress report on the implementation of Revamped Distribution Sector Scheme.

**DHBVNL Reply:**

The progress report on implementation of Revamped Distribution Sector Scheme has been annexed with the filing.

- j. A progress report on PM KUSUM

**DHBVNL Reply:**

The brief progress report on PM KUSUM-C is provided below:

- a) 6.5 MW AC Solar Power Plant:

- Letter of Award (LoA) against the tender for installation of 6.5 MW AC Solar Power Plants at 6 nos. 33 kV sub stations under CAPEX mode for implementing Feeder Level Solarisation has been issued on 17.06.2025 and awarded to M/s Sun Photonics Pvt. Ltd., Gurugram with scheduled period of completion as 09 (Nine) months from the

date of issuance of LoA. Total Project Cost: Rs. 29,96,50,000/- at six nos. 33 kV sub-stations within jurisdiction of DHBVNL.

- Number of motors covered under the tender: 2817 Nos.
- At present installation of Solar Plant is under progress.

b) 2.25 MW AC Solar Power Plant:

- DHBVNL has floated tender for installation of 2.25 MW cumulative capacity Solar Power Plants at 4 no. 33 kV sub stations under CAPEX mode for implementing Feeder Level Solarization.
- Number of motors covered under the tender: 456 Nos.
- Schedule period of completion is up to Marc-2026.

At present the proceedings of tender is under signature from HPPC (Nigam) Committee.

**Further vide memo no. Ch-55/RA/F-25/Vol-(89), dated: 10.03.2026, SE/Regulatory Affairs UHBVNL, Panchkula replied to the queries raised during the public hearing at Yamunanagar:**

**1. Deterioration of Rating of UHBVN from A+ to A in the latest 14<sup>th</sup> Integrated Rating Report published by MoP**

The major reason for reduction in Integrated Rating from A+ to A is due to following:

- Revenue Gap left by the Commission:** Hon'ble HERC in Tariff Order dated 05.03.2024 has not addressed the gap of ₹3245.21 crore for the FY 2024-25 and directed the Discoms to meet this gap from the efficiency gain. As Discoms are in single digit AT&C losses for the last year, as such Discoms were not in a position to meet with this gap only from efficiency gain which ultimately resulted in cash losses and had impacted the ACS-ARR Gap (cash adjusted) & Debt Services Coverage Ratio (DSCR).
- Non-release of due subsidy in toto by the State Government by the end of FY 2024-25, i.e., 31.03.2025:** An amount of ₹1136.93 crore (₹491.07 crore for UHBVN & ₹645.86 crore for DHBVN) of subsidy due to be released upto March 2025 which was not released to the Discoms by the State Govt. As such, Discoms have suffered cash losses to this extent which has affected the ACS-ARR Gap (cash adjusted), Debt Services Coverage Ratio (DSCR), Collection Efficiency Ratio, Debt to Assets Ratio, Adjusted Quick Ratio & Subsidy Realized.

The component wise impact in the scoring in respect of UHBVNL is given as under:

| Particulars                                                                                     | Maximum Marks | Marks scored in 13th IR | Marks scored in 14th IR | Reduction in Marks | Expected score if Govt. had released entire Subsidy | Expected score if revenue gap was not left by HERC | Expected score considering combined impact |
|-------------------------------------------------------------------------------------------------|---------------|-------------------------|-------------------------|--------------------|-----------------------------------------------------|----------------------------------------------------|--------------------------------------------|
| ACS-ARR Gap (Cash Adjusted)                                                                     | 35            | 35                      | 24.51                   | 10.49              | 27.28                                               | 35                                                 | 35                                         |
| Days Receivables                                                                                | 3             | 3                       | 3                       | 0                  | 3                                                   | 3                                                  | 3                                          |
| Days Payables                                                                                   | 10            | 10                      | 10                      | 0                  | 10                                                  | 10                                                 | 10                                         |
| Adjusted Quick Ratio                                                                            | 10            | 10                      | 7.27                    | 2.73               | 7.82                                                | 8.91                                               | 9.73                                       |
| Debt Service Coverage Ratio                                                                     | 10            | 10                      | 0                       | 10                 | 0                                                   | 7.22                                               | 10                                         |
| Leverage (Debt/EBITDA) Cash Adjusted                                                            | 7             | 6.9                     |                         |                    |                                                     |                                                    |                                            |
| Debt to Asset Ratio                                                                             | 7             |                         | 3.89                    | 3.01               | 4.74                                                | 6.14                                               | 6.99                                       |
| Distribution Losses                                                                             | 2             | 2                       | 2                       | 0                  | 2                                                   | 2                                                  | 2                                          |
| Billing Efficiency                                                                              | 5             | 3.1                     | 3.43                    | 0                  | 3.43                                                | 3.43                                               | 3.43                                       |
| Collection Efficiency                                                                           | 5             | 5                       | 4.68                    | 0.32               | 5                                                   | 4.68                                               | 5                                          |
| Corporate Governance                                                                            | 1             | .8                      | 0.75                    | 0                  | .75                                                 | .75                                                | .75                                        |
| Subsidy Realized                                                                                | 4             | 4                       | 2.84                    | 1.16               | 4                                                   | 2.84                                               | 4                                          |
| Loss takeover by State Government                                                               | 3             | 3                       | 0                       | 3                  | 0                                                   | 3                                                  | 3                                          |
| Government Dues                                                                                 | 3             | 3                       | 2.96                    | 0.04               | 2.96                                                | 2.96                                               | 2.96                                       |
| Tariff Cycle Timelines                                                                          | 1             | 1                       | 1                       | 0                  | 1                                                   | 1                                                  | 1                                          |
| Auto Pass Through of Fuel Cost (if fuel costs are auto recovered on at least a quarterly basis) | 1             | 1                       | 1                       | 0                  | 1                                                   | 1                                                  | 1                                          |
| <b>Total</b>                                                                                    | <b>100</b>    | <b>97.8</b>             | <b>67.32</b>            | <b>30.75</b>       | <b>72.98</b>                                        | <b>91.93</b>                                       | <b>97.86</b>                               |
| Specific Disincentives                                                                          |               |                         |                         |                    |                                                     |                                                    |                                            |
| Non-adherence to Ind-AS qualification                                                           |               | -1                      | -1                      |                    | -1                                                  | -1                                                 | -1                                         |
| Uncovered Revenue Gap                                                                           |               | -4                      |                         |                    |                                                     |                                                    |                                            |
| <b>Net Marks</b>                                                                                |               | <b>92.8</b>             | <b>66.32</b>            | <b>30.75</b>       | <b>71.98</b>                                        | <b>90.93</b>                                       | <b>96.86</b>                               |
| <b>Provisional Ranking</b>                                                                      |               |                         | <b>21 (Actual)</b>      |                    | <b>18</b>                                           | <b>11</b>                                          | <b>7</b>                                   |

DHBVN also stands at a similar situation as UHBVN, in this regard.

## 2. Status of Flexi Load Scheme

DISCOMs have proposed schemes aimed at facilitating the industrial consumers and providing them flexibility to operate with more productivity and efficiency.

One of such scheme is Flexi Load Scheme wherein the consumers are allowed One reduction and one subsequent restoration of load permitted within the three-year settlement period or a maximum of two such events in total without depositing the service connection charges.

For implementing the above scheme, Petition has already been filed before the Hon'ble HERC on 30.12.2025. The Petition is scheduled for hearing on 09.04.2026.

## 3. Latest status of pending Tube Well connections in UHBVN

At present, the demand notices have been issued for applications applied from 01.01.2014 and upto 31.12.2023. As on 28.02.2026, there are 3865 No. (UHBVN) tube well applications which are pending. All the pending tube well connections are expeditiously released subject to deposition of the full cost, procurement of energy efficient motor pump sets and installations of Micro Irrigation/UGPL system as the case may be.

Status of release/pending AP connections under UHBVN (as on 28.02.2026) is as under:

| Tenure of Tube-well connections applied | Total Eligible applicants who deposited full amount | Total connections released | Total Connections pending |
|-----------------------------------------|-----------------------------------------------------|----------------------------|---------------------------|
| Applied upto 31.12.2018                 | 24130                                               | 23863                      | 267*                      |
| Applied from 01.01.2019 to 31.12.2021   | 7725                                                | 7380                       | 345                       |
| Applied from 01.01.2022 to 31.12.2023   | 5843                                                | 2590                       | 3253                      |
| <b>Total</b>                            | <b>37,698</b>                                       | <b>33,833</b>              | <b>3865</b>               |

*\*250 no. of connections out of 267 are pending on the part of consumers for the period upto 31.12.2018*

The tube well connections applied after 2019 and capacity upto 10 BHP are being provided by HAREDA on off-Grid solar mode.

## 4. Progress of release of Tube-well connections applied after December,2023.

Presently, tube-well connections are being released for applicants who applied between 01.01.2014 and 31.12.2023, in accordance with the directions issued by the State Government.

The process for the release of tube-well connections for applications received after this period shall be commenced as and when further directions are issued by the State Government in this regard.

It is further submitted that 15,651 number of new tube-well connection applications (in UHBVN) have been received above 10 BHP during the period 01.01.2024 to 31.01.2026.

#### 5. Status of Defective meters: -

The latest status of defective meters is provided as under: -

| CIRCLE NAME  | Total Defective Meter as per ledger |         |       | MCO Case registered but pending | MCO Case Completed as on 2 March'26 | Meters pending for replacement |         |       |
|--------------|-------------------------------------|---------|-------|---------------------------------|-------------------------------------|--------------------------------|---------|-------|
|              | 1 Phase                             | 3 Phase | TOTAL |                                 |                                     | 1 Phase                        | 3 Phase | TOTAL |
| Ambala       | 1228                                | 301     | 1529  | 31                              | 327                                 | 939                            | 232     | 1171  |
| Jhajjar      | 1025                                | 171     | 1196  | 30                              | 277                                 | 749                            | 140     | 889   |
| Kaithal      | 1255                                | 168     | 1423  | 31                              | 472                                 | 789                            | 131     | 920   |
| Karnal       | 421                                 | 78      | 499   | 21                              | 83                                  | 329                            | 66      | 395   |
| Kurukshetra  | 534                                 | 112     | 646   | 30                              | 195                                 | 341                            | 80      | 421   |
| Panchkula    | 245                                 | 64      | 309   | 12                              | 108                                 | 138                            | 51      | 189   |
| Panipat      | 812                                 | 193     | 1005  | 15                              | 204                                 | 615                            | 171     | 786   |
| Rohtak       | 1385                                | 225     | 1610  | 61                              | 615                                 | 765                            | 169     | 934   |
| Sonipat      | 3370                                | 450     | 3820  | 84                              | 1092                                | 2309                           | 335     | 2644  |
| Yamuna Nagar | 1362                                | 283     | 1645  | 23                              | 332                                 | 1090                           | 200     | 1290  |
| Grand Total  | 11637                               | 2045    | 13682 | 338                             | 3705                                | 8064                           | 1575    | 9639  |

#### 6. Latest Status of Mhara Gaon Jagmag Gaon (MGJG).

In 6 number of circles out of the 10 circles under UHBVN, all rural consumers are being given 24-hour power supply. 91% of feeders (upto February, 2026) have been covered under MGJG Scheme and are receiving 24 hours' power supply. Efforts are underway to complete the remaining works in the balance feeders. All out efforts are being made to bring in all feeders under the ambit of MGJG Scheme. In places where public resistance is encountered, DO. letters have been written to the District Commissioners Seeking their support in resolving on-ground issues and facilitating the completion of the works. Circle wise progress of MGJG:

| Supply Hours of RDS feeders under MGJG as on 28.02.2026 |                  |                   |                                     |                 |                  |                   |                  |                 |                  |
|---------------------------------------------------------|------------------|-------------------|-------------------------------------|-----------------|------------------|-------------------|------------------|-----------------|------------------|
| Sr. No.                                                 | Name of District | Total RDS Feeders | Total No of Villages on RDS Feeders | 24 Hours Supply |                  | 16 Hours Supply   |                  |                 |                  |
|                                                         |                  |                   |                                     | Nos. of Feeders | Nos. of Villages | completed feeders |                  | Balance         |                  |
|                                                         |                  |                   |                                     |                 |                  | Nos. of Feeders   | Nos. of Villages | Nos. of Feeders | Nos. of Villages |
| 1                                                       | Panchkula        | 13                | 342                                 | 13              | 342              | 0                 | 0                | 0               | 0                |
| 2                                                       | Ambala           | 71                | 273                                 | 71              | 273              | 0                 | 0                | 0               | 0                |
| 3                                                       | Kurukshetra      | 114               | 412                                 | 114             | 412              | 0                 | 0                | 0               | 0                |

| Supply Hours of RDS feeders under MGJG as on 28.02.2026 |                  |                   |                                     |                 |                  |                                   |                  |                 |                  |
|---------------------------------------------------------|------------------|-------------------|-------------------------------------|-----------------|------------------|-----------------------------------|------------------|-----------------|------------------|
| Sr. No.                                                 | Name of District | Total RDS Feeders | Total No of Villages on RDS Feeders | 24 Hours Supply |                  | 16 Hours Supply completed feeders |                  | Balance         |                  |
|                                                         |                  |                   |                                     | Nos. of Feeders | Nos. of Villages | Nos. of Feeders                   | Nos. of Villages | Nos. of Feeders | Nos. of Villages |
| 4                                                       | Karnal           | 152               | 435                                 | 152             | 435              | 0                                 | 0                | 0               | 0                |
| 5                                                       | Yamunanagar      | 92                | 920                                 | 92              | 920              | 0                                 | 0                | 0               | 0                |
| 6                                                       | Panipat          | 109               | 191                                 | 109             | 191              | 0                                 | 0                | 0               | 0                |
| 7                                                       | Rohtak           | 113               | 172                                 | 85              | 131              | 11                                | 18               | 17              | 23               |
| 8                                                       | Jhajjar          | 98                | 226                                 | 73              | 169              | 18                                | 48               | 7               | 9                |
| 9                                                       | Sonipat          | 149               | 326                                 | 112             | 252              | 32                                | 69               | 5               | 5                |
| 10                                                      | Kaithal          | 160               | 293                                 | 153             | 284              | 3                                 | 4                | 4               | 5                |

**7. Why Distribution losses are claimed as 9.85% in FY 2026-27 despite achieving 9.33% in FY 2024-25 by UHBVN.**

UHBVN has significantly reduced the Aggregate Technical and Commercial (AT&C) losses from 30.10% to 9.33% from FY 2015-16 to FY 2024-25. But the distribution losses have already reached to a saturation level now. Further, Haryana being an agrarian state, maintaining distribution losses at the existing level will require significant amount of fund infusion. UHBVN has already started taking sincere measures towards such a direction. Considering the technical challenges prevailing into the supply chain system and other social and economic factors within the state, the AT&C losses has been proposed for FY 2026-27.

**8. Increase in Administrative Cost (A&G) expenses in FY 2024-25 as compared to last FY Reasons for the same.**

UHBVN has claimed Rs. 228.88 Cr. in FY 2024-25 while the actual A&G expenses for FY 2023-24 were Rs. 202.75 Cr. So, increase in A&G expenses in FY 2024-25 is marginal as compared to the last year

There is marginal increase in the A&G expenses due to increase in expenses related to Metering, Billing, Reading and Bill Distribution (MBRD).

**9. Acquittal in Theft of electricity cases**

DISCOMs abide by the Sales Circular issued for dealing with the Theft of electricity Cases containing detailed instructions. Further, regular instructions are being issued from time to time for following the directions issued in Circular in True spirit.

Further, DISCOMs have been conducting Training and Capacity Building Program of the employees to provide information about the detailed procedure of handling Theft cases.



DISCOMs also have Vigilance Deptt. that plays a critical role in ensuring integrity and dealing with the electricity theft cases.

To ensure that the cases booked under Theft are correct as per the defined procedural framework, DISCOMs will undertake and strengthen the above steps.

**10. WhatsApp Group for addressing Power shortages**

DISCOMs have online Grievance Redressal mechanism wherein the consumers can register their complaint and the DISCOMs are committed to provide timely resolution of the same.

Further, UHBVN has in place Scheduled Outage Information System wherein the consumers are informed well in advance for any scheduled outage/planned shutdown.

Further, DISCOMs are committed to provide uninterrupted services to the consumers as per norms specified by the Hon'ble Commission. High score in State's Antyodaya Portal, i.e., 9.7/10 (*as on Jan 2026*) is reflection of the commitment of the DISCOMs in providing uninterrupted, regular power supply to the consumers.

**11. Increase in Interest and Finance Charges**

Interest on Working Capital has increased over the last 2-3 years due to availing of high Working Capital loans. The key reasons for availing the loan are as under

- Huge outstanding Fuel and Power Purchase Cost Adjustment Surcharge (FPPAS)
- Non-release of AP Subsidy from the State Govt. of around 1,136 Cr. (₹491.07 crore for UHBVN & ₹645.86 crore for DHBVN) during FY 2024-25
- Loans availed to meet the Revenue Gap left unaddressed by the HERC for FY 2024-25.

**12. Per Unit Power Purchase Rate**

As per the plant wise details of Power Purchase of FY 2024-25 as submitted in the True-Up Petition filed by the DISCOMs, the average Power Purchase Cost (APPC) works out to be Rs. 5.42/kWh including Transmission Charges and Rs. 4.83/kWh excluding Transmission Charges.

**13. Benefit of reduction in AT&C losses to the consumers**

For a continuous period of seven years, from FY 2017–18 to FY 2024–25, there has been no revision in Tariff, despite consistent escalation in input costs borne by the DISCOMs,

including but not limited to power purchase costs, transmission charges, and Operations & Maintenance expenses.

So, the reduction in AT&C losses of UHBVN during this period has been automatically passed on to the consumers as there has been no Tariff revision and the escalation in cost is borne by the DISCOMs through efficiency Gains in their process and operations. Rather, there has been reduction in the Tariff for the lower Tariff slab from 2.70 Rs. /kWh to 2.00 Rs. /kWh for domestic consumers during FY 2020-21.

#### 14. Tariff Proposal

Tariff Proposal is under consideration of the management of UHBVN and DHBVN for onwards submission to the Hon'ble Commission.

#### 2.6. Interim Order dated 09.01.2026

The Discoms have filed the following information, (UHBVNL vide Memo No. 70/RA/F-25/Vol-(88) dated 27.01.2026 and DHBVNL vide Memo No. 95/SE/RA-794/Vol-I dated 27.01.2026), in compliance to the interim order dated 09.01.2026, issued by the Commission, in pursuant to the public hearing held on 08.01.2026:

The Electricity (Amendment) Rules, 2024 dtd. 10/01/2024 formulated by Ministry of Power, Gol, stipulates that tariff shall be cost reflective and there shall not be any gap between approved Annual Revenue Requirement and estimated annual revenue from approved tariff. Relevant extract of the said Rules is as follows:

***“23. Gap between approved Annual Revenue Requirement and estimated annual revenue from approved tariff.–***

*The tariff shall be cost reflective and there shall not be any gap between approved Annual Revenue Requirement and estimated annual revenue from approved tariff except under natural calamity conditions:*

*Provided that such gap, created if any, shall not be more than three percent of the approved Annual Revenue Requirement:”*

In line with the above Rules stipulated by the MoP, Discoms may be allowed Cost Reflective Tariff such that there shall not be any gap between ARR, and revenue as approved by the Hon'ble Commission for FY 2026-27.

The information sought by the HERC vide letter No. HERC/No. 94 of 2025/2529 dated 02.01.2026 has been submitted to the Hon'ble Commission vide this office memo no. Ch-68/RA/F-25/Vol-88 dated 27.01.2026.

Point-wise Reply to the additional information sought by the Hon'ble Commission vide Interim Order dated 09/01/2026 is as under:-

- I. Details of Power Purchase Agreements (PPAs) signed with Thermal Power generators showing the salient terms, validity period, exit clause etc along with copy of the PPAs.

**Discoms Reply:**

The list of Power Purchase Agreements (PPAs) signed with Thermal Power generators showing the salient terms, validity period, exit clause etc. along with copy of the PPAs has been annexed with the filing.

- II. Action plan to shift the focus on increase of renewable energy sources like solar, wind, FDRE etc, in the energy mix, to meet the dual objective of purchase of cheaper power as well as to contribute towards the national target of 500 GW renewable energy capacity by 2030.

**Discoms Reply:**

In this regard, it is submitted as under:

- i. The total tied up capacity till FY 2026-27 is tabulated as under:

| (SOURCE WISE BREAKUP) |                                     |                        |                         |                                   |                         |                                                        |                                                   |
|-----------------------|-------------------------------------|------------------------|-------------------------|-----------------------------------|-------------------------|--------------------------------------------------------|---------------------------------------------------|
| Sr. No.               | Sources                             | Within Haryana (in MW) | Outside Haryana (in MW) | Capacity as on 01.01.2026 (in MW) | % age of Total Capacity | Tentative Capacity Addition (01.01.2026 to 31.03.2027) | Tentative Total capacity as on 31.03.2027 (in MW) |
| 1                     | Thermal                             | 4391                   | 5278.78                 | 9669.78                           | 58.24%                  | 0                                                      | 9669.78                                           |
| 2                     | Nuclear                             | 0.00                   | 123.04                  | 123.04                            | 0.74%                   | 0                                                      | 123.04                                            |
| 3                     | Gas                                 | 0.00                   | 137.10                  | 137.10                            | 0.83%                   | 0                                                      | 137.10                                            |
|                       | <b>Sub Total of NRE Sources (A)</b> | <b>4391</b>            | <b>5538.92</b>          | <b>9929.92</b>                    | <b>59.80%</b>           | <b>0</b>                                               | <b>9929.92</b>                                    |
| 4                     | Hydro                               | 73.20                  | 3740.24                 | 3813.44                           | 22.97%                  | 56.025                                                 | 3869.465                                          |
| 5                     | Solar                               | 205.13                 | 1423.00                 | 1628.13                           | 9.81%                   | 363.19                                                 | 1991.32                                           |
| 6                     | Wind                                | 0.00                   | 895.43                  | 895.43                            | 5.39%                   | 39                                                     | 934.43                                            |
| 7                     | Biomass                             | 92.17                  | 0.00                    | 92.17                             | 0.56%                   | 3                                                      | 95.17                                             |
| 8                     | Bagasse                             | 95.20                  | 0.00                    | 95.20                             | 0.57%                   | 0.00                                                   | 95.20                                             |
| 9                     | Hybrid/ FDRE                        | 0.00                   | 150.00                  | 150.00                            | 0.90%                   | 800.013                                                | 950.013                                           |
|                       | <b>Sub Total of RE Sources</b>      | <b>465.70</b>          | <b>6208.67</b>          | <b>6674.37</b>                    | <b>40.20%</b>           | <b>1261.19</b>                                         | <b>7935.56</b>                                    |

| (SOURCE WISE BREAKUP) |                   |                        |                         |                                   |                         |                                                        |                                                   |
|-----------------------|-------------------|------------------------|-------------------------|-----------------------------------|-------------------------|--------------------------------------------------------|---------------------------------------------------|
| Sr. No.               | Sources           | Within Haryana (in MW) | Outside Haryana (in MW) | Capacity as on 01.01.2026 (in MW) | % age of Total Capacity | Tentative Capacity Addition (01.01.2026 to 31.03.2027) | Tentative Total capacity as on 31.03.2027 (in MW) |
|                       | (B)               |                        |                         |                                   |                         |                                                        |                                                   |
|                       | Grand Total (A+B) | 4856.70                | 11747.59                | 16604.29                          | 100%                    | 1261.19                                                | 17865.48                                          |

- ii. HERC vide its order dated 29.10.2025 issued HERC RE Regulation, 2025 which will come into force with effect from 01.04.2026. Further as per chapter No.14 titled "RPO/RCO", RPO trajectory to be followed by Obligatory entities in the following manner:

***"The Renewable Purchase / Consumption / Generation obligations, as may be notified by the Ministry of Power from time to time, shall be complied by the obligated entities, w.e.f. the FY 2026-27. However, obligated entities may exercise the option to comply with either the HERC trajectory specified in the HERC RE Regulations, 2021 (2nd Amendment), 2022 or the MoP trajectory, for the FY 2025- 26."***

- iii. RPO targets vis-à-vis RPO to be achieved on the basis of the expected commissioning date of RE projects is tabulated as under:

#### A. FY 2025-26

| RPO Targets vis-à-vis RPO to be achieved as per HERC RE REG, 2022 (2 <sup>nd</sup> amendment) |                                      |                  |             |         |                                  |                           |                      |           |           |                              |                                                           |
|-----------------------------------------------------------------------------------------------|--------------------------------------|------------------|-------------|---------|----------------------------------|---------------------------|----------------------|-----------|-----------|------------------------------|-----------------------------------------------------------|
| RPO Targets (MUs)                                                                             |                                      |                  |             |         |                                  | RPO to be Achieved (MUs)  |                      |           |           |                              |                                                           |
| FY                                                                                            | Energy Consumption as per HERC Order | Total RPO target | RPO targets | Backlog | Total RPO Targets (inc. backlog) | Wind RPO after 31.03.2022 | HPO after 08.03.2019 | Other RPO | Total RPO | Short-fall (-) / Surplus (+) | Percentage of Total RPO targets achieved/ to be achieved. |
|                                                                                               | (MUs)                                | (%)              | (MUs)       | (MUs)   | (MUs)                            | (MUs)                     | (MUs)                | (MUs)     | (MUs)     | (MUs)                        | (%)                                                       |
| 1                                                                                             | 2                                    | 3                | 4           | 5       | 6                                | 7                         | 8                    | 9         | 10        | 11                           | 12=(10/6*100)                                             |
| 2025-26                                                                                       | 54126                                | 33.01            | 17867       | 0       | 17867                            | 2108                      | 1775                 | 17341     | 21224     | +3357                        | 118.79%                                                   |

#### B. FY 2026-27 and onwards

| RPO Targets vis-à-vis RPO to be achieved as per MoP notification dated 27.09.2025 |                                            |                  |                   |         |                                |                            |                       |                    |           |           |                              |                                                   |
|-----------------------------------------------------------------------------------|--------------------------------------------|------------------|-------------------|---------|--------------------------------|----------------------------|-----------------------|--------------------|-----------|-----------|------------------------------|---------------------------------------------------|
| RPO Targets (MUs)                                                                 |                                            |                  |                   |         |                                | RPO to be Achieved (MUs)   |                       |                    |           |           |                              |                                                   |
| FY                                                                                | Total Energy Consumption as per HERC Order | Total RPO target | Total RPO targets | Backlog | Total RPO Targets inc. backlog | Wind RPO after 31.03. 2024 | HPO after 31.03. 2024 | Distributed RE RPO | Other RPO | Total RPO | Short-fall (-) / Surplus (+) | % of Total RPO targets achieved / to be achieved. |
|                                                                                   | (MUs)                                      | (%)              | (MUs)             | (MUs)   | (MUs)                          | (MUs)                      | (MUs)                 | (MUs)              | (MUs)     | (MUs)     | (MUs)                        | (%)                                               |
| 1                                                                                 | 2                                          | 3                | 4                 | 5       | 6                              | 7                          | 8                     | 9                  | 10        | 11        | 12                           | 13=(11/6 *100)                                    |
| <b>FY 2026-27 onwards</b>                                                         |                                            |                  |                   |         |                                |                            |                       |                    |           |           |                              |                                                   |
| 2026-27                                                                           | 71125                                      | 35.95            | 25570             | 0       | 25570                          | 2936                       | 2606                  | 3575               | 19017     | 28134     | 2565                         | 110.03%                                           |
| 2027-28                                                                           | 73920                                      | 38.81            | 28688             | 0       | 28688                          | 5206                       | 2725                  | 3925               | 20219     | 32076     | 3387                         | 111.81%                                           |
| 2028-29                                                                           | 76824                                      | 41.36            | 31774             | 0       | 31774                          | 5633                       | 2455                  | 4275               | 20092     | 32456     | 681                          | 102.14%                                           |
| 2029-30                                                                           | 79841                                      | 43.33            | 34595             | 0       | 34595                          | 5633                       | 2065                  | 4626               | 20092     | 32416     | -2179                        | 93.70%                                            |

**Note:**

- I. Energy consumption for FY 2025-26 to FY-2029-30 has been computed with CAGR@ 3.69%.
- II. Based on the expected commissioning schedule of RE projects, HPPC may fulfil its RPO target pertaining to “WPO”, “HPO”, “DRE” targets and “other RPO” components upto FY-2028-29.
- III. There will be a significant shortfall to achieve RPO target during FY-2029-30
- iv. To achieve the ibid RPO targets, HPPC made all out efforts and tied up the following capacity which is tabulated as under: -

| Date                                    | Solar Ground mounted | Solar Rooftop | Wind   | FDRE/ Assured Peak | Biomass | WtE  | Hydro   | Total   |
|-----------------------------------------|----------------------|---------------|--------|--------------------|---------|------|---------|---------|
| <b>Capacity (in MW)</b>                 |                      |               |        |                    |         |      |         |         |
| Current Capacity (as on 16.01.2026)     | 1628.13              | 983.7         | 895.33 | 150                | 180.6   | 6.77 | 3813.44 | 7657.97 |
| Additions expected in FY 2025-26        | 96.19                | 50            | 0      | 0                  | 3       | 0    | 0       | 149.19  |
| Additions expected in FY 2026-27        | 267                  | 50            | 39     | 800                | 0       | 0    | 56.025  | 1212.02 |
| Additions expected in FY 2027-28        | 14                   | 50            | 0      | 400                | 0       | 0    | 0       | 464     |
| Total Capacity addition till FY 2027-28 | 2005.35              | 1133.7        | 934.33 | 1350               | 183.60  | 6.77 | 3869.46 | 9483.21 |

**Note:** That as per current tied up contracted capacity, 9483 MW RE power is expected to be commissioned by the end of FY 2027-28.

**Steps taken to meet RPO targets:**

**A. Following are the PSA signed with REIA to meet RPO target:**

- i. HPPC has signed a PSA dated 05.04.2024 with SJVNL for Procurement of 800 MW firm and dispatchable RE (FDRE) Power on Round the clock basis at a tariff of Rs 4.45 per kWh including trading margin through competitive bidding, whose scheduled commissioning date as per PSA is May'2026. To review the progress of said project, a meeting was called under the chair of Worthy ACS/Energy with SJVNL & all four developers (RPDs) on 18.06.2025. During the meeting all the four RPDs informed that they are trying to commission their project as per SCOD. However, due to delay in the construction of transmission line/substation by CTUIL, PGCIL, the projects may be delayed, which is beyond the control of the RPDs. Accordingly, HPPC vide its letter dated 15.07.2025 & 27.10.2025 requested CTUIL to ensure timely readiness of connectivity infrastructure for commissioning of said FDRE projects well in advance of their respective commissioning schedules to enable HPPC to meet its RPO target & provide renewable power to the consumers of the state.
- ii. HPPC has signed a PSA dated 26.06.2025 with NHPC for procurement of 400MW FDRE Power @ Rs. 4.44 per kWh including trading margin. Expected commissioning schedule for said project is June 2027.

**B. Tender for procurement of 500MW Solar power to reduce Transmission losses:**

To reduce the transmission losses and in order to avoid breach of ATC/TTC limit of transmission network, SCPP in its meeting held on 02.06.2025, directed HPPC to float tender for procurement of 500MW solar power within Haryana. Last date of submission of bid was 10.10.2025. Against said quantum of 500 MW, bids have been submitted for a total capacity of 810MW from 15 no. bidders. Tariff has been discovered after e-RA is Rs.2.86/kWh to Rs.2.97/kWh for a cumulative capacity of 495MW from various solar power developers. HPPC is in process to file a petition before Hon'ble HERC for source approval and tariff adoption. Expected Energy from said 500 MW project will be 919.80 MUs, which will be expected to be commissioned during October 2027.

**C. Planning to meet RPO target during FY 2029-30.**

In order to meet the RPO targets, HPPC may either purchase of RE power through power exchange (GDAM) or purchase of REC or to float tender for procurement of 500MW solar power for which approval shall be taken from SCPP.

**D. Development of BESS projects to support Peak Load management:**

- i. DHBVN floated tender for installation of 20 MWH BESS at sub-station of Discoms under the VGF scheme @ Rs. 27 lakh per MWH granted by MoP vide letter dated 09.04.2025. Last date of submission of bid is 17.12.2025. Tender is under evaluation stage.
- ii. DISCOMs are in the process of implementing BESS Projects for 500MWH at PTPS Panipat under VGF Scheme @ Rs. 18 lakh per MWH granted by MoP, for enhancing grid stability & reliability with support in peak load management and implementing Renewable Purchase Obligations (RPO). Tender was floated by SJVNL being REIA for installation of BESS system at 220KV PTPS, Panipat. Last date of submission of bid is 20.01.2026.

**III. Action plan to flatten the demand curve, as DISCOMs are facing gap of 3000 to 5000 MW between intra-day maximum and minimum demand, which is forcing tie-up of higher capacity.**

**Discoms Reply:**

1. To flatten the demand curve:

It is submitted that the Haryana load exhibits a distinct and seasonally varying demand curve, broadly classified into the Summer/Paddy season (May to October) and the Non-Paddy/Winter season (November to April). The demand profile is further influenced by a substantial increase in cooling load during the paddy months (June to September) and additional heating load during the winter period (December to mid-February).

In line with the 24x7 power supply obligations of the Discoms to all consumer categories—except Agriculture Pumping (AP) and RDS (non-MGJG)—DISCOMs are required to prepare and implement Power Regulatory Measures (PRMs) on a regular basis, based on continuous assessment of the prevailing demand–supply scenario. Accordingly, PRMs for AP feeders are structured in such a manner that the system peak demand is observed during solar hours, enabling maximum utilization of available solar generation, and benefiting from comparatively lower exchange rates during the summer/winter season.

2. This operational strategy is substantiated by historical peak demand trends for last year wherein a peak demand 14084 MW on 05.07.2025 at 15:00 Hrs, 14,662 MW was recorded at 14:45 hrs on 31.07.2024. The relevant peak demand -Availability curve along with depiction of Exchange Rate for the year 2025 has been annexed with the filing.
3. Further, analysis of historical data from the paddy/summer seasons (June to September) of the years 2024 and 2025 indicates that the AP load of the Discoms was typically in the range of 3,500–3,800 MW during solar hours, whereas only about 1,000–1,500 MW was operated during night hours to avoid exacerbation of night peak demand as the load is already on higher side in the night due to cooling load.
4. Additionally, the internal generation capacity of the State is approximately 3,500 MW, excluding the Faridabad Gas Power Plant (FGPP) as PPA expired on 31.12.2025. Considering the existing Available Transfer Capacity (ATC) and Total Transfer Capacity (TTC) limits of 10,400 MW and 10,700 MW respectively, the State would be required to arrange nearly 13,000 MW from external/ inter State sources to meet the projected peak demand of about 16454 MW during FY 2026-27. In this regard, the State Transmission Utility (STU) has already been requested for enhancement of the ATC/TTC of the State transmission system to the appropriate level.
5. Further, the Discoms are already in the process of shifting maximum AP load to daytime or off-peak hours through appropriate PRMs from time to time to utilize the available solar tied up capacity. All OP Circles have been specifically directed to ensure minimal operation of AP load during night peak hours during the paddy/summer season, to maintain grid stability and optimize power procurement costs.
6. Further, Haryana Power Utilities are undertaking the installation of Battery Energy Storage Systems (BESS) at substations and generation stations in a phased manner, based on land availability and grid connectivity. Currently, a BESS with a capacity of 500 MWh is planned for installation at PTPS Panipat, for which the tendering process is underway. After successful installation, BESS will store electricity during off-peak hours and discharge it during peak demand periods. This will help flatten the overall load curve and improve system efficiency.
7. Shifting Agricultural Pumping (AP) Load to Off-Peak Hours: To achieve this, UHBVN is undertaking the following measures:



- **Substation Augmentation:** Planning is underway to augment the capacity of existing substations and create new substations where loading exceeds 70%.
- **Reconfiguration of AP Feeders:** AP feeders currently operating in three PRM groups are being reorganized into two PRM groups through the creation of new substations and augmentation of existing ones.
- **Daytime Operation for Solar Utilization:** Further planning is being done to operate all AP feeders in a single group during daytime to maximize the utilization of solar power.

IV. Proposal of DISCOMs on the issues on which clarifications have been sought in the petition.

**Discoms Reply:**

| Details of issues incorporated in ARR of FY-2026-27                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Proposal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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| <p>6.1 Tariff for EV Charging Stations.</p> <p>6.1.1 In the Tariff Order for FY 2024–25, the Hon’ble Commission had specified that EV charging stations shall be levied a single-part tariff equivalent to the Cost of Supply (CoS) of HT supply and LT supply. The relevant portion from the tariff order is as under:-</p> <p>“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 and LT Supply, as determined in the present order. The off peak / night-time concession benefits shall also be applicable. There shall be no fixed / demand charges.”</p> <p>6.1.2 However, in the Tariff Order for FY 2025-26 dt. 28.03.2025 (Page No. 271), the tariff for EV charging stations has been mentioned only as the CoS of HT supply (Rs. 7.05/kWh), irrespective of the supply voltage level. No separate tariff has been mentioned for EV stations connected on LT supply.</p> <p>6.1.3 So, the Hon’ble Commission is requested to clarify or specify the tariff for EV charging stations under LT supply as well, as was done in Tariff Order for FY 2024-25.</p> | <p>In the Tariff Order for FY 2025-26 dt. 28.03.2025 (Sales Circular No.U-03/2025), the tariff for EV charging stations has been mentioned only as the CoS of HT supply (Rs. 7.05/kWh), irrespective of the supply voltage level. No separate tariff has been mentioned for EV stations connected on LT supply whereas in the Tariff Order FY 2024-25, the tariff for EV was mentioned both for HT supply and LT supply (S.C. No. U-08/2024).</p> <p>As such Hon’ble Commission is requested to clarify and explicitly specify the applicable tariff for Electric Vehicle (EV) Charging Stations under the LT supply category as well, in line</p> |

| Details of issues incorporated in ARR of FY-2026-27                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Proposal                                                          |               |     |  |                                                                                                    |                            |               |     |            |           |     |     |             |           |     |     |                                                           |                |               |     |            |           |     |     |             |                                      |  |  |             |                                      |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | with the provisions specified in the Tariff Order for FY 2024-25. |               |     |  |                                                                                                    |                            |               |     |            |           |     |     |             |           |     |     |                                                           |                |               |     |            |           |     |     |             |                                      |  |  |             |                                      |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <p>6.2 The Tariff for Agro Industries/FPO</p> <p>6.2.1 As per the Tariff Order for FY 2025-26 dt. 28.03.2025 (Page No. 270), the tariff applicable to certain Agro-based industries has been fixed as defined here under:</p> <table><tr><th colspan="4">Agro Industries / FPO</th></tr><tr><td>Mushroom compost &amp; spawn, high-tech hydroponics &amp; aeroponics and cold storage units set up by FPOs</td><td>Energy charges (paise/kWh)</td><td>Fixed charges</td><td>MMC</td></tr><tr><td>Upto 20 KW</td><td>475 / kWh</td><td>Nil</td><td>Nil</td></tr><tr><td>Above 20 KW</td><td>650 / kWh</td><td>Nil</td><td>Nil</td></tr><tr><td>Agro Industries/ FPO not covered in the above category: -</td><td>Energy charges</td><td>Fixed charges</td><td>MMC</td></tr><tr><td>Upto 20 KW</td><td>475 / kWh</td><td>Nil</td><td>Nil</td></tr><tr><td>20 KW-50 KW</td><td colspan="3">As applicable to LT supply consumers</td></tr><tr><td>Above 50 KW</td><td colspan="3">As applicable to HT supply consumers</td></tr></table> <p>6.2.2 The Tariff for Mushroom compost &amp; spawn, high-tech hydroponics &amp; aeroponics and cold storage units set up by FPOs above 20 kW is 650/kWh. However, no upper load limit has been defined under this category.</p> <p>6.2.3 Hence, the Hon’ble Commission is requested to clarify or re-specify that whether the tariff of Rs. 6.50/kWh applies only up to 50 kW load and beyond that HT tariff is applicable.</p> | Agro Industries / FPO                                             |               |     |  | Mushroom compost & spawn, high-tech hydroponics & aeroponics and cold storage units set up by FPOs | Energy charges (paise/kWh) | Fixed charges | MMC | Upto 20 KW | 475 / kWh | Nil | Nil | Above 20 KW | 650 / kWh | Nil | Nil | Agro Industries/ FPO not covered in the above category: - | Energy charges | Fixed charges | MMC | Upto 20 KW | 475 / kWh | Nil | Nil | 20 KW-50 KW | As applicable to LT supply consumers |  |  | Above 50 KW | As applicable to HT supply consumers |  |  | <p>The same matter regarding tariff for sub category i.e., Mushroom compost &amp; spawn, high-tech hydroponics &amp; aeroponics and cold storage units set up by FPOs above 50 Kw has also been earlier dealt and Hon’ble Commission was requested to clarify the issue.</p> <p>It is further submitted that the sub-tariff category along with detail of tariff under Agro Industries/FPO i.e. tariff for Mushroom compost &amp; spawn, high-tech hydroponics &amp; aeroponics and cold storage units set up by FPOs was the part of Budget announcement No. 39 (XVII) for FY 2025-26 dated 17.03.2025. Hon’ble Commission has mentioned the tariff in the Tariff Order for FY 2025-26 (S.C. No. U-03/2025) at par with the Budget Announcement.</p> <p>As the Tariff for Mushroom compost &amp; spawn, high-tech hydroponics &amp; aeroponics and cold storage units set up by FPOs above 20 kW is 650/kWh.</p> |
| Agro Industries / FPO                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                   |               |     |  |                                                                                                    |                            |               |     |            |           |     |     |             |           |     |     |                                                           |                |               |     |            |           |     |     |             |                                      |  |  |             |                                      |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Mushroom compost & spawn, high-tech hydroponics & aeroponics and cold storage units set up by FPOs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Energy charges (paise/kWh)                                        | Fixed charges | MMC |  |                                                                                                    |                            |               |     |            |           |     |     |             |           |     |     |                                                           |                |               |     |            |           |     |     |             |                                      |  |  |             |                                      |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Upto 20 KW                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 475 / kWh                                                         | Nil           | Nil |  |                                                                                                    |                            |               |     |            |           |     |     |             |           |     |     |                                                           |                |               |     |            |           |     |     |             |                                      |  |  |             |                                      |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Above 20 KW                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 650 / kWh                                                         | Nil           | Nil |  |                                                                                                    |                            |               |     |            |           |     |     |             |           |     |     |                                                           |                |               |     |            |           |     |     |             |                                      |  |  |             |                                      |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Agro Industries/ FPO not covered in the above category: -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Energy charges                                                    | Fixed charges | MMC |  |                                                                                                    |                            |               |     |            |           |     |     |             |           |     |     |                                                           |                |               |     |            |           |     |     |             |                                      |  |  |             |                                      |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Upto 20 KW                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 475 / kWh                                                         | Nil           | Nil |  |                                                                                                    |                            |               |     |            |           |     |     |             |           |     |     |                                                           |                |               |     |            |           |     |     |             |                                      |  |  |             |                                      |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 20 KW-50 KW                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | As applicable to LT supply consumers                              |               |     |  |                                                                                                    |                            |               |     |            |           |     |     |             |           |     |     |                                                           |                |               |     |            |           |     |     |             |                                      |  |  |             |                                      |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Above 50 KW                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | As applicable to HT supply consumers                              |               |     |  |                                                                                                    |                            |               |     |            |           |     |     |             |           |     |     |                                                           |                |               |     |            |           |     |     |             |                                      |  |  |             |                                      |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

| Details of issues incorporated in ARR of FY-2026-27                                                                                                                                                                                     | Proposal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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|                                                                                                                                                                                                                                         | <p>However, no upper load limit has been defined under this category. So, the upper load limit may be defined under this sub-category.</p> <p>So, the Hon'ble Commission is requested to clarify or re-specify whether the tariff of Rs. 6.50/kWh is applicable only up to 50 kW under LT supply, and whether load beyond 50 kW is required to be billed under HT supply.</p> <p>As the tariff for Agro Industries/ FPO not covered in the above category is as per LT supply from 20 kW to 50 kW and above 50 kW, the tariff is as per HT supply.</p> <p>So, for the uniformity in the tariff category of Agro Industries / FPO, the sub category i.e., Mushroom compost &amp; spawn, high-tech hydroponics &amp; aeroponics and cold storage units set up by FPOs above 20 kW may also be billed at HT supply above load 50 Kw.</p> |
| <p>6.3 Clarification regarding the applicability of Fixed Charges on Domestic Net Meter Connections</p> <p>6.3.1 During the implementation process, it has been observed that there is ambiguity as to whether the Fixed Charges on</p> | <p>In the joint meeting dated 23.04.2025 with commercial wing of DHBVN, it was decided</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| Details of issues incorporated in ARR of FY-2026-27                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Proposal                                                                                                                   |                                                       |                                                                                |                                                                                 |                                                                                                         |                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| <p>Domestic Net Metered Connections under Domestic (Category-II) are to be levied on the basis of:</p> <p>(i) Net Billed Units (Import - Export) or</p> <p>(ii) Total Consumed Units (Import-Export + Solar Generation).</p> <p>6.3.2 The above clarification is crucial, as the methodology adopted for levy of Fixed Charges has a direct impact on consumer billing and has significant implications for the adoption of rooftop solar systems by Domestic consumers under Central Government schemes, including the PM-Surya Ghar Scheme.</p> <p>6.3.3 In view of the above, Hon'ble Commission is respectfully requested to clearly specify whether Fixed Charges for Domestic Net Metered consumers are to be levied based on net consumption (Import minus Export) or on total consumption including solar generation, so as to ensure uniform interpretation and consistent implementation across both DISCOMs.</p> <p>6.3.4 It is also submitted that while issuing the Sales Circular regarding Tariff order for FY 2025-26, some amendments have been made as detailed below: -</p> <table border="1" data-bbox="245 1355 948 1998"> <tr> <td data-bbox="245 1355 555 1518">Provisions as per ARR/Tariff Order for FY 2025-26</td><td data-bbox="555 1355 948 1518">Provision mentioned in the Sales Circular (U-03/2025)</td></tr> <tr> <td data-bbox="245 1518 555 1731">*Tariff in kVAH and kW shall be applicable by considering power factor of 0.9.</td><td data-bbox="555 1518 948 1731">*Tariff in kVAH and kWh shall be applicable by considering power factor of 0.9.</td></tr> <tr> <td data-bbox="245 1731 555 1998">Note No.4: Advocate's Chamber, shall be levied a single rate (tariff) equivalent to CoS of LT Supply as</td><td data-bbox="555 1731 948 1998">Note No.4: Advocate's Chamber, shall be levied a single rate (tariff) equivalent to CoS of LT Supply (i.e. Rs.7.35/kWh) as</td></tr> </table> | Provisions as per ARR/Tariff Order for FY 2025-26                                                                          | Provision mentioned in the Sales Circular (U-03/2025) | *Tariff in kVAH and kW shall be applicable by considering power factor of 0.9. | *Tariff in kVAH and kWh shall be applicable by considering power factor of 0.9. | Note No.4: Advocate's Chamber, shall be levied a single rate (tariff) equivalent to CoS of LT Supply as | Note No.4: Advocate's Chamber, shall be levied a single rate (tariff) equivalent to CoS of LT Supply (i.e. Rs.7.35/kWh) as | <p>that fixed charges to be levied after considering the total consumption of the consumer in line with the earlier MMC calculation.</p> <p>In this regard, DHBVN has sought the clarification from the Hon'ble Commission vide its Letter dtd. 25.04.2025.</p> <p>UHBVN has also sought the clarification in this regard from Hon'ble Commission vide letter dated 21.05.2025 to clarify the issue.</p> <p>As per the Net Metering Regulation, the Sales Circular No. U-29/2021, the MMC is on the total consumption, so it is proposed that fixed charges should be on the total consumption.</p> |
| Provisions as per ARR/Tariff Order for FY 2025-26                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Provision mentioned in the Sales Circular (U-03/2025)                                                                      |                                                       |                                                                                |                                                                                 |                                                                                                         |                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| *Tariff in kVAH and kW shall be applicable by considering power factor of 0.9.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | *Tariff in kVAH and kWh shall be applicable by considering power factor of 0.9.                                            |                                                       |                                                                                |                                                                                 |                                                                                                         |                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Note No.4: Advocate's Chamber, shall be levied a single rate (tariff) equivalent to CoS of LT Supply as                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Note No.4: Advocate's Chamber, shall be levied a single rate (tariff) equivalent to CoS of LT Supply (i.e. Rs.7.35/kWh) as |                                                       |                                                                                |                                                                                 |                                                                                                         |                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

| Details of issues incorporated in ARR of FY-2026-27                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                            | Proposal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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| determined in the present order. There shall be no demand / fixed charges.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | determined in the present order. There shall be no demand / fixed charges. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 6.3.5 In view of the above, Hon'ble commission is requested for clarification on Para No. 1 to 3, whereas Para No. 4 is submitted for kind appraisal of the Hon'ble commission.                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <p>6.4 Clarification regarding applicability of 5% rebate on Prepaid Meters</p> <p>6.4.1 In line with Regulation 5 of the HERC (Prepaid Smart Metering), Regulations, 2022, there shall be 5% rebate for consumers availing supply through prepaid smart meters. However, there is ambiguity regarding applicability of 5% rebate on total tariff, including Energy Charges, Fixed Charges, and Minimum Monthly Charges (MMC) or only on Energy Charges component of the Tariff.</p> <p>6.4.2 So, Hon'ble commission is requested for clarification on applicability of 5% rebate on Prepaid Meters.</p> |                                                                            | <p>"The 5% rebate admissible under Regulation 5 of the HERC (Prepaid Smart Metering) Regulations, 2022 shall be applicable only on the Energy Charges component of the tariff and shall not be applicable on Fixed Charges or Minimum Monthly Charges (MMC)."</p> <p>Fixed Charges and MMC are meant to recover fixed network and service costs, which remain unchanged irrespective of prepaid/post-paid mode.</p> <p>Applying rebate only on Energy Charges is consistent with tariff design principles and avoids revenue distortion.</p> <p>The rebate on Energy Charges alone strikes a balance between incentivizing prepaid metering and safeguarding recovery of fixed costs.</p> |

**V. Consumer category-wise and voltage-wise cost of supply calculated for Haryana as a whole, along with supporting data and calculations, which should be uploaded on the website also, inviting comments from stakeholders.**

**UHBVN Reply:**

This is to submit that as per the directions of the Hon'ble Commission, consumer category wise CoS has already been submitted to the Hon'ble Commission and also uploaded on the website of UHBVN.

A public notice was issued on the same and has been annexed with the filing.

For voltage wise cost of supply, Hon'ble Commission has taken up the matter as HERC/Petition No. HERC/PRO 81 of 2025. Submission under these proceedings will be made separately to the Hon'ble Commission as per the timelines specified by the Commission.

**DHBVN Reply:**

This is to submit that as per the directions of the Hon'ble Commission, consumer category wise CoS has already been submitted to the Hon'ble Commission and also uploaded on the website of DHBVN. The link for the same is provided below:

**[https://dhbvn.org.in/staticContent/new/HERC/Cost\\_of\\_supply\\_FY-2024-25.pdf](https://dhbvn.org.in/staticContent/new/HERC/Cost_of_supply_FY-2024-25.pdf)**

For voltage wise cost of supply, Hon'ble Commission has taken up the matter as HERC/Petition No. HERC/PRO 33 of 2015 and HERC/PRO 35 of 2015. Submission under these proceedings will be made separately to the Hon'ble Commission as per the timelines specified by the Commission. Further, the process of issuance of public notice has been started and will be finalized soon.

**VI. Reasons for higher distribution loss in DHBVNL in the FY 2024-25 (10.26%) as compared to UHBVNL (9.33%). Justification for proposing higher distribution losses than already achieved.**

**UHBVN Reply:**

This is to submit that UHBVN has significantly reduced the Aggregate Technical and Commercial (AT&C) losses from 30.10% to 9.33% from FY 2015-16 to FY 2024-25. But the distribution losses have already reached to a saturation level now. Further, Haryana being an agrarian state, maintaining distribution losses at the existing level will require significant amount of fund infusion. UHBVN has already started taking sincere measures towards such a direction. Considering the technical challenges prevailing into the supply chain system and

other social and economic factors within the state, the AT&C losses has been proposed for FY 2026-27.

**DHBVN Reply:**

It is submitted that DHBVN has achieved Distribution Loss of 10.26 in FY 2024-25 against actual Distribution Losses of 11.38% in FY 2023-24, i.e., reduction of 1.12% year on year. DHBVN is making earnest effort to further bring down the loss levels and has undertaken MGJG works to ensure optimal loss levels. However, due to some outlier circles where MGJG works are still pending and is proving hard to implement DHBVN has not been able to achieve optimum loss levels in the circle. Further, DHBVN has sped up the works in the said circles and the losses are expected to arrive at optimum levels once the MGJG works are completed in the circles.

**VII. Justification for projecting power purchase cost for the FY 2026-27 @ Rs. 4.35/unit as against the actual cost of Rs. 4.87/unit (excluding transmission charges) in the FY 2024-25.**

**Discoms Reply:**

This is to submit that the Power Purchase Cost for FY 2024-25 has been submitted on actual basis based on the Cost and Quantum reflecting in the Financial Statements which also includes Prior period expenses of Rs. 1,783.45 Cr.

However, for FY 2026-27 the sales forecast has been projected based on the actual energy sales for FY 2024-25 and the Compound Annual Growth Rate (CAGR) of relevant duration. The CAGR of relevant duration having the adequate growth rate with respect to the expected increase in the number of consumers and connected load during FY 2026-27 has been considered for projecting the category wise energy sales.

Corresponding to the Energy Sales, the energy availability from the existing generating plants has been projected based on the tied-up capacity of the plants and average actual annual availability of plants in last five years. The energy availability from the newly tied up generating plants has been projected based on the normative PLF defined for respective fuel categories.

Further, the DISCOMs are committed to increase the Renewable Energy proportion in the overall Power Purchase portfolio and comply with the Renewable Purchase Obligation as specified by the Hon'ble Commission. In line with this commitment, the upcoming Renewable Energy capacity addition has been projected for FY 2025-26 and 2026-27

wherein around 1,300 MW is expected to increase in FY 2026-27 with respect to FY 2024-25 at a lower rate than the actual Average Power Purchase Rate of FY 2024-25.

Accordingly, the Power Purchase Cost details for FY 2024-25 and FY 2025-26 are as follows:

| Particulars                                                   | FY 2024-25 | FY 2026-27 |
|---------------------------------------------------------------|------------|------------|
| Power Purchase Quantum (MU)                                   | 31,338.67  | 36,256.21  |
| Power Purchase Cost (Cr.)<br>(Excluding Transmission Charges) | 15,084     | 15,778.45  |
| Average Power Purchase Rate (Rs./kWh)                         | 4.81       | 4.35       |

**VIII. DISCOMs-wise Employees-cost per unit of electricity sold, separately showing w.r.t. regular employees, contractual employees, cost of terminal liabilities and total.**

**UHBVNL Reply:**

Computation for employees-cost per unit of electricity sold, separately showing w.r.t. regular employees, contractual employees, cost of terminal liabilities and total is as follows:

| Particular           | Total cost (Rs. In crore) | Unit sold (LUs)  | Rs. Per Unit |
|----------------------|---------------------------|------------------|--------------|
| Regular              | 962.72                    | 25,199.54        | 0.38         |
| Non-Regular          | 139.41                    | 25,199.54        | 0.06         |
| Terminal Liabilities | 490.11                    | 25,199.54        | 0.19         |
| <b>Total</b>         | <b>1,592.24</b>           | <b>25,199.54</b> | <b>0.63</b>  |

**DHBVNL Reply:**

The requisite details of Employees-cost per unit of electricity sold, separately showing w.r.t. regular employees, contractual employees, cost of terminal liabilities and total is shown below:

| Sr. No. | Particulars                  | Amount (Rs. In crore) | Unit Sold (MUs) | Rs. Per Unit Cost |
|---------|------------------------------|-----------------------|-----------------|-------------------|
| 1.      | Regular Employees            | 963.01                | 3577.90         | 0.27              |
| 2.      | Contractual Employees        | 269.63                | 3577.90         | 0.08              |
| 3.      | Terminal Liabilities         | 629.25                | 3577.90         | 0.17              |
| 4.      | Total Employee cost with OCI | 1861.89               | 3577.90         | 0.52              |

**IX. Justification for projecting inter-state transmission loss @ 3.65%, as against the intra-state transmission loss of 1.95%**

**Discoms Reply:**

This is to submit that for projecting power purchase for FY 2026-27, Interstate transmission losses of 3.65% has been considered based on actual losses in FY 2024-25 published by Grid INDIA and intrastate transmission losses has been considered as 1.94% at the same level as



approved by the Hon'ble Commission in HERC MYT Regulations 2024 for FY 2026-27. Week wise compilation of Interstate transmission losses of 3.65% as published by Grid INDIA for FY 2024-25 has been annexed with the filing.

**X. Roadmap for elimination of Cross Subsidy Surcharge.**

**Discoms Reply:**

The level of cross subsidy in the existing retail supply tariff structure is well within the range of +/- 20% of average cost of supply as specified in the Clause 8.3 (Tariff Design: Linkage of Tariff to the Cost of Service) of the National Tariff Policy, 2016. It is imperative that due to the concerted efforts of the Discoms the distribution losses have reduced consistently over the years.

Further, in this regard, Section 42 of the Electricity Act 2003 categorically specifies that cross subsidies shall be progressively reduced in the manner as may be specified by the State Commission. Relevant extract of the Act is as follows:

*"The State Commission shall introduce open access in such phases and subject to such conditions, (including the cross subsidies, and other operational constraints) as may be specified within one year of the appointed date by it and in specifying the extent of open access in successive phases and in determining the charges for wheeling, it shall have due regard to all relevant factors including such cross subsidies, and other operational constraints:*

*Provided that such open access shall be allowed on payment of a surcharge in addition to the charges for wheeling as may be determined by the State Commission:*

*Provided further that such surcharge shall be utilized to meet the requirements of current level of cross subsidy within the area of supply of the distribution licensee:*

*Provided also that such surcharge and cross subsidies shall be progressively reduced in the manner as may be specified by the State Commission.*

**XI. Specific proposal for approval and implementation of ToD Tariff for the electricity consumers of the State other than AP consumers, duly supported by the complete data of load curve in different time slots of the day and months. The consumer category wise consumption data for the proposed time slots, may be utilized in determining the ToD structure. Further, data/details such as Average Market Clearing Price during different months/time-slots, peak and off-peak hours, solar and non-solar hours etc., should also be**

**provided. The proposal should also include the tariff for the peak/ off-peak /solar / non-solar hours and the impact of the ToD implementation on the load curve (daily and seasonal basis) as well as on the overall revenue**

**Discoms Reply :**

Petition for Time of Day Tariff shall be filed by DHBVN before the Hon'ble Commission on behalf of both the DISCOMs.

- XII. DHBVNL need to file details of subsidy shown in Audited Accounts amounting to Rs. 4087 Crore and reconcile the same with the amount claimed in the petition as Rs. 3769 crores along with the reasons for discrepancy in the data. Further, DHBVNL has submitted that out of subsidy amount billed for the FY 2024-25 for Rs. 4087.35 crore, they have received only Rs. 3428.09 crore. The reasons for outstanding subsidy receivable for the FY 2024-25, may be explained.**

**DHBVNL Reply :**

The details of subsidy booked and received from the State Govt. has been annexed with the filing for information please. It is pertinent to mention here that there is no deviation in subsidy booked and received. However, the deviation is due to mis-classification and the detailed explanation of the same has been annexed with the filing.

- XIII. Monthly reports certified by SLDC that Merit Order Despatch principle has been followed in true spirit while scheduling the power from various generating stations.**

**Discom Reply:**

This is to submit that Power from various generating stations has been scheduled strictly in accordance with the Merit Order Despatch principle by the Unified Control Room and the monthly merit order stack has been prepared after factoring in the Point of Connection losses, with the variable unit cost of generators based on the energy consumption bills of the previous month.

Accordingly, the SLDC, HVPN also certified the same as under: –

*“it is hereby certified that the scheduling of power from various generating stations is carried out in accordance with the Merit Order Despatch Principle.”*

- XIV. Details of Power Purchase Cost projected for the FY 2026-27, w.r.t. assumptions considered for projecting plant-wise quantum like Capacity, DISCOM share, PLF, Minimum**

**Technical Limit, annual overhauling/maintenance schedule, past generation trend, CERC/Commission Order for projecting Fixed Charges, etc.**

**Discom Reply:**

This is to submit that the requisite details are as follows:

**a) Assumptions considered for projecting plant-wise quantum**

The energy availability from the existing generating plants has been projected based on the tied-up capacity of the plants and average actual annual availability of plants in last five years. The energy availability from the newly tied up generating plants has been projected based on the normative PLF defined for respective fuel categories.

Energy availability between the Haryana Discoms has been allocated based on the ratio of their energy requirement at the state periphery. Energy requirement for both the Discoms has been projected by considering their energy sales projections and distribution loss reduction trajectory and Intra-state losses as submitted in the Petition.

**b) Assumptions considered for Minimum Technical Limit**

The Principle of the Merit Order Dispatch (MOD) has been applied for estimating the energy availability from long term tied-up generating sources. Further, the Minimum Technical Permissible limit of the thermal/gas generating stations has been undertaken for estimating the energy availability. The energy surplus created on monthly basis has been considered as banked power and availed back in the months having power deficit. The surplus energy left even after banking of power is traded under the short-term regime at the average variable energy charges.

**c) Assumptions considered for projecting Fixed Charges**

Fixed Charges for FY 2025-26 have been considered with escalation of 2% y-o-y on the actual fixed charges paid to generators in FY 2024-25. It has been observed that Fixed rates (per unit) have increased with a CAGR of 2% over the last 3 FYs, i.e., from FY 2021-22 to FY 2024-25.

Power purchase cost for energy sourced from CGPL, GMR, Sasan and Adani Power is projected in accordance to their quoted price in PPA. Component of Change in Law applicable in their tariff is kept equivalent to the current billing rate of respective plants.

**XV. Complete detail of MGJG including number of villages/feeders on 24\*7 supply, villages/feeders on 21 hours and 16 hours supply**

### UHBVNL Reply:

Detail of MGJG including number of villages/feeders on 24\*7 supply, villages/feeders on 16 hours supply for the year 2024-25 and 2025-26 (upto Nov-2025) is submitted below:

| Sr. No.                           | Name of DISCOM | Total RDS Feeders | Total No of Villages on RDS Feeders | 24 Hours Supply |                  | MGJG completed feeders running on 16 hours supply |                  | Balance         |                  |
|-----------------------------------|----------------|-------------------|-------------------------------------|-----------------|------------------|---------------------------------------------------|------------------|-----------------|------------------|
|                                   |                |                   |                                     | Nos. Of Feeders | Nos. Of Villages | Nos. Of Feeders                                   | Nos. Of Villages | Nos. Of Feeders | Nos. Of Villages |
| Total (UHBVN)<br>As on 31.03.2025 |                | 1071              | 3590                                | 953             | 3370             | 77                                                | 164              | 41              | 56               |
| Total (UHBVN)<br>As on 30.11.2025 |                | 1071              | 3590                                | 963             | 3395             | 72                                                | 149              | 36              | 46               |

### DHBVNL Reply:

The complete details of MGJG works of DHBVN has been annexed with the filing.

## 2.7. State Advisory Committee (SAC)

In the consultation process for giving a final shape to the order for FY 2024-25 (True-up), APR (2025-26) and distribution and retail supply ARR / tariff for FY 2026-2027, the Commission, to have the benefit of the views / suggestions of the Members of the SAC, convened a 33<sup>rd</sup> meeting of the State Advisory Committee, constituted under Section 87 of the Act, on 22.01.2026 at 11:30 AM. The SAC meeting was convened to discuss the petition filed by the Haryana Power Utilities including that of UHBVNL and DHBVNL.

The meeting was aimed at strengthening the consultative regulatory process, ensuring transparency, accountability, efficiency improvement, cost optimization, and protection of consumer interest.

Shri Prashant Deshta, Secretary, HERC, on behalf of the Commission, welcomed all the Members of the State Advisory Committee and their representatives.

At the outset, Hon'ble Chairman, HERC welcomed all SAC Members and representatives and highlighted the statutory role of the SAC in the tariff determination and regulatory decision-making process. He informed that the Commission had already conducted public hearings on the ARR/Tariff petitions at Panchkula on 08.01.2026, wherein stakeholders raised serious concerns relating to:

- Incorrect billing,
- Inefficiencies in functioning of power utilities, and
- Resultant burden of higher tariff on consumers.

The Hon'ble Chairman emphasized that the views and suggestions of SAC Members are crucial for balanced and informed regulatory decisions and requested Members to provide constructive inputs on the petitions filed by the Haryana Power Utilities.

The State Power Utilities, namely UHBVNL and DHBVNL, made detailed presentations covering:

- Operational and financial performance in previous years,
- Challenges faced in distribution,
- Improvement initiatives undertaken and proposed, and
- Details of petitions filed for True-up FY 2024-25, APR FY 2025-26 and determination of Tariff for FY 2026-27

The discussions and actionable concerning the discoms have been reproduced as under:

#### **2.7.1. Trend of AT&C Losses**

The Committee observed that AT&C losses of UHBVNL show an increasing trend:

- FY 2023-24: 9.15%
- FY 2024-25: 9.33%
- FY 2025-26 (up to November 2025): 9.63%

On queries raised by Members, UHBVNL submitted that the best achievable loss levels have already been attained. However, Hon'ble Chairman expressed the view that continuous improvement is always possible and advised the DISCOMs to study best practices adopted by neighboring States and even internationally for loss reduction.

#### **2.7.2. HT:LT Ratio, Infrastructure Planning and Public Safety**

DHBVNL informed that the existing HT:LT ratio is approximately 1:2. The Committee advised that the HT component be increased to minimize distribution losses and that transformers be installed closer to load centers.

Members of the SAC expressed serious concern regarding casualties caused by hazardous conditions of cables, switches and meters installed in public streets. The Commission desired the DISCOMs to take immediate corrective measures to eliminate unsafe installations and prevent accidents.

#### **2.7.3. Rooftop Solar Systems : Monitoring, Quality and Consumer Grievances**

UHBVNL apprised the Committee about initiatives such as **Saur Urja Protsahan Yojna** aimed at compensating consumers against fixed charges.

During discussions, Shri. Shiv Kumar, Hon'ble Member, HERC raised concerns regarding:

- Absence of post-commissioning monitoring of rooftop solar plants,
- Strengthening and streamlining the complaint handling mechanism
- Poor quality of work and materials affecting CUF, and
- Lack of compensation to consumers for under-generation attributable to vendors.

DISCOMs stated that vendors provide a five-year warranty. However, since desired results are not being achieved, the Committee desired that:

- Random inspection checking of sample size from 10–25% of work of each vendor to ensure the quality and of work and subsequent services in case of any fault,
- Vendor performance ratings be displayed publicly for transparency, and
- Rooftop solar complaints be integrated with the common complaint handling system.

#### **2.7.4. Compliance of CGRF / Ombudsman / Commission Orders**

Shri. Mukesh Garg, Hon'ble Member, HERC expressed concern over the increasing number of cases relating to non-compliance of orders passed by CGRFs, the Electricity Ombudsman and the Commission. The Committee was apprised that the situation in this regard is progressively deteriorating in Dakshin Haryana Bijli Vitran Nigam Limited (DHBVNL).

It was discussed and observed that the implementation of CGRF orders by DHBVNL remains unsatisfactory, despite the issuance of repeated and strict directions by the Commission.

It was further noted that, to an alarming extent:

- The status of pending compliance of CGRF orders was not readily available with the concerned officers of DHBVNL, reflecting serious deficiencies in monitoring and accountability mechanisms.
- No report has been received from the Managing Director, DHBVN, regarding the action taken for recovery of penalties and/or excess interest paid from the erring officers/officials, despite earlier directions of the Commission.

The Hon'ble Member emphasized that avoidable litigation must be curtailed, and that orders passed by the CGRFs/Ombudsman/Commission should be implemented expeditiously, failing which appropriate follow-up action must be initiated in a timely manner, in accordance with law.

#### **2.7.5. Mhara Gaon Jagmag Gaon Yojana (MGJG) Scheme**

With regard to MGJG, DISCOMs informed that:

- 195 villages remain pending under UHBVNL, and
- 315 villages remain pending under DHBVNL.

The problem is confined to certain districts such as Nuh and Jind. DISCOMs assured that best efforts are being made to complete the works.

#### **2.7.6. Issue Regarding Enhancement of Rooftop Solar Net Metering Limit**

Sh. B. R. Kamboj, Vice-Chancellor, CCS Haryana Agricultural University (HAU), Hisar, requested that the existing rooftop solar energy net metering limit of 0.5 MW be increased up to the sanctioned load of the consumer.

The Hon'ble Chairman informed that the matter may be taken up through initiation of a formal petition by the DISCOMs and/or other stakeholders, enabling the Commission to examine the issue in a holistic manner and, if considered appropriate, to amend the relevant regulations.

#### **2.7.7. Enhancement of Efficiency**

In order to ensure the supply of quality, reliable, and affordable electricity to consumers in the State, the Committee emphasized that concerted and sustained efforts are required to enhance efficiency across all segments of the power sector, including generation, transmission, distribution, and commercial operations. In this regard, the following actions were deliberated and advised:

#### **2.7.8. Energy Audit and Reduction of Distribution Losses**

It was noted that the DISCOMs have achieved remarkable reduction in distribution losses over the past decade. However, it was observed that the distribution losses of UHBVNL increased to 9.33% during FY 2024-25, as against 9.15% in the previous year.

Further, certain circles continue to report distribution losses exceeding 10%, namely:

- **UHBVNL:** Rohtak (19.92%), Kaithal (16.75%), Kurukshetra (12.85%), Ambala (12.29%)
- **DHBVNL:** Jind (33.06%), Palwal (23.40%), Hisar (18.22%), Bhiwani (17.05%)

The DISCOMs highlighted initiatives undertaken to curtail losses, including:

- Maintaining a high HT:LT ratio,
- Promotion of rooftop solar systems,

- Implementation of Demand Side Management (DSM) programmes, and
- System strengthening works.

It was further reported that **unmetered agricultural consumption** stands at **2,158 MU in UHBVNL** and **1,758 MU in DHBVNL**, constituting approximately **9% and 5% of total sales**, respectively. This is in contravention of the “Standard Operating Procedure for Subsidy Accounting and Payment” issued by the Ministry of Power, which mandates that:

- No electricity connection shall be released without metering; and
- Energy supplied to subsidized consumers shall be assessed solely on the basis of measured energy.

In this context, the following directions regarding discoms were issued:

- a) Metering of all unmetered agricultural consumers within six (6) months, and submission of a progress report to the ensuing meeting of the State Advisory Committee.
- b) The Committee observed that feeders reporting very high loss levels distort overall distribution loss figures. Under the Revamped Distribution Sector Scheme (RDSS), infrastructure-strengthening works such as installation of Aerial Bunched Cables (ABC), High Voltage Distribution System (HVDS), replacement of HT/LT lines, and construction or upgradation of substations are envisaged. The total sanctioned funding under RDSS for Haryana DISCOMs is ₹6,828 crore.

The DISCOMs are advised to effectively utilize the sanctioned RDSS funds to achieve measurable reduction in losses, particularly in identified high-loss circles. Circle-wise and **feeder-wise** progress reports, indicating physical and financial achievements along with loss-reduction outcomes, shall be submitted to the ensuing SAC meeting.

- c) Energy audit being a critical tool for identifying technical and commercial losses, the Transmission and Distribution utilities are advised to conduct comprehensive and periodic energy audits at feeder-wise, transformer-wise, and consumer-category-wise levels, in accordance with prescribed standards and best industry practices. Findings along with an Action Taken Report (ATR) shall be submitted to the ensuing SAC meeting.



#### **2.7.9. ISO Certification**

ISO certification ensures systematic documentation of processes and alignment with national and international best practices. While HPGCL has already obtained ISO certification, HVPNL, UHBVNL, and DHBVNL are desired to obtain ISO certification within a defined timeframe to enhance operational efficiency and service delivery.

#### **2.7.10. Debt Swapping**

The power utilities are advised to explore all feasible avenues for reduction in borrowing costs, including refinancing or restructuring of existing loans. HPGCL informed that it has already swapped high-interest loans with low-interest loans, which are nearly repaid. Similar measures shall be explored by other utilities to minimize interest burden and tariff impact.

#### **2.7.11. Time-bound Implementation of Court / Forum Orders**

The utilities shall ensure expeditious and time-bound implementation of orders issued by courts and forums. Compliance status shall be regularly monitored in WTD meetings. A comprehensive list of pending cases, along with present status and timelines for compliance, shall be placed before the ensuing SAC meeting.

#### **2.7.12. Cost Optimization**

The Committee observed that power purchase cost, including transmission charges, constitutes approximately 85% of the Aggregate Revenue Requirement (ARR) of the DISCOMs. It was further observed that the Haryana Power Purchase Centre (HPPC), constituted under the orders of the Government of Haryana vide notification dated 11.04.2008 to operate under the single-buyer model for arranging power on behalf of the distribution licensees, is not being professionally managed, resulting in sub-optimal power procurement outcomes.

The Commission, in its ARR Order dated 28.03.2025, had earlier expressed serious concern that during FY 2023-24, the Haryana DISCOMs purchased 7,740 MU of short-term power at an average rate of ₹6.79 per unit, involving an expenditure of ₹5,257.54 crore, while simultaneously selling short-term power on power exchanges at substantially lower prices. The Committee noted with concern that this inefficient and avoidable trading pattern has continued during FY 2024-25 as well.

Further, it was observed that substantial payments are being made to generating stations and booked as prior-period expenses, primarily on account of inaction or delayed action by HPPC, which has an adverse impact on tariff outcomes and ultimately imposes an avoidable burden on electricity consumers.

In view of the above, the Committee emphasized that power procurement planning and execution must be subjected to rigorous, continuous, and professional monitoring to ensure reduction in the cost of delivered power. Accordingly, the DISCOMs and HPPC are advised to:

- Comprehensively assess their demand–supply position and prevailing market conditions in power exchanges and bilateral markets before permitting simultaneous planned maintenance of generating stations;
- Restructure and strengthen HPPC, including deployment of adequate and competent manpower to enable round-the-clock (24×7) operations;
- Engage expert and professional agencies, wherever required, to support power procurement, scheduling, and trading functions;
- Undertake continuous monitoring of prices on power exchanges to enable timely substitution of high-cost power with cheaper alternatives, thereby improving responsiveness and cost efficiency in procurement planning; and
- Progressively increase the share of cost-effective renewable energy in the overall power mix, while duly addressing the technical and operational challenges associated with large-scale renewable energy integration, with the objective of reducing power purchase cost without compromising quality and reliability of supply.

An **Action Taken Report (ATR)**, detailing measures undertaken, institutional strengthening of HPPC, procurement outcomes, and cost optimization achieved, shall be submitted in the **ensuing meeting of the State Advisory Committee (SAC)**.

#### **2.7.13. Receivables Management:**

The Commission in the previous ARR order dated 28.03.2025 has observed that total receivables of UHBVNL and DHBVNL, after provisioning, are reflected in the financial statements as on 31.03.2024 as Rs. 2,059 crore and Rs. 4,311 crore, respectively (Total: Rs. 6,370 crore), as against the comparative figures as on 31.03.2023 as Rs. 583 crore and

Rs. 2,909 crore, respectively (Total: Rs. 3,493 crore). Thus, trade receivables, has increased by an amount of Rs. 2,877 crore during the FY 2023-24.

Similarly, total receivables of UHBVNL and DHBVNL, as reflected in the financial statements as on 31.03.2025 as Rs. 2,894 crore and Rs. 5,398 crore, respectively (Total: Rs. 8,292 crore). Thus, trade receivables, has increased by an amount of Rs. 1,922 crore during the FY 2024-25. The receivable allowed as part of working capital in the regulatory regime is approximately Rs. 1,500 crore, for each Discom. It shows that the receivables management and accounting of both the Discoms, needs a complete revamp.

In this regard, Discoms are advised to exercise prudence in receivables management and ensure that outstanding from connected consumers, except the amount involved in court cases, does not exceeds its available ACD, at any point of time. Discoms are further advised to submit age-wise and consumer category-wise details of amount outstanding from consumers, except the amount involved in court cases along with a complete recovery plan of its receivables, in the ensuing meeting of SAC.

#### **2.7.14. Smart Meter Deployment:**

The Managing Director, DHBVNL, informed that approximately 8.7 lakh smart meters have been installed across both DISCOMs. In areas such as Panchkula and Gurugram, smart meter deployment has resulted in reduction of losses from about 8 % to nearly 4 %, while Faridabad has recorded losses of around 5 %. Despite these encouraging results, it was noted with concern that the overall progress of smart meter installation is lagging behind the approved implementation schedule.

In this regard, the DISCOMs are advised to accelerate the pace of smart meter deployment and address the identified gaps including plan of installation of the same on high loss feeders/circles. An action taken report may be submitted to the ensuing meeting of the SAC.

#### **2.7.15. Demand Side Management (DSM) and Energy Conservation Schemes:**

It was observed that there exists an average gap of about 3,000–5,000 MW between the maximum and minimum demand met on a daily basis. The DISCOMs have not adequately adopted Demand Side Management (DSM) measures to flatten the demand curve, including shifting of Agricultural Pump (AP) load to off-peak hours and solar hours of the

day. Further, there is a need to roll out structured energy conservation schemes and undertake sustained consumer awareness campaigns.

In this regard, the DISCOMs are advised to submit a concrete and time-bound action plan aimed at flattening the demand curve, covering DSM interventions, load-shifting mechanisms, and energy conservation initiatives, to the ensuing meeting of the State Advisory Committee (SAC).

Further, it was noted that the existing scheme of allowing Time-of-Day (ToD) tariff on incremental consumption has not been effective in flattening the demand load curve. Accordingly, the DISCOMs are advised to file a separate petition seeking approval for implementation of a comprehensive ToD tariff framework for electricity consumers of the State, including seasonal industries, excluding AP consumers.

The petition shall be duly supported with complete and detailed data, including:

- Load curve data for different time slots of the day and across months;
- Consumer-category-wise consumption data mapped to the proposed time slots;
- Average Market Clearing Prices during different months and time slots;
- Identification of peak and off-peak hours, and solar and non-solar hours; and
- Proposed tariff structure for peak, off-peak, solar, and non-solar hours.

The proposal shall also clearly bring out the impact of ToD tariff implementation on the daily and seasonal load curve as well as on the overall revenue of the DISCOMs.

Hon'ble Chairman, HERC emphasized the need for timely decision-making, faster consumer grievance redressal, strict adherence to regulatory directions, and avoidance of inefficiencies that ultimately burden electricity consumers. In this context, Hon'ble Chairman issued the following directions:

#### **2.7.16. Consumer / Customer Satisfaction Index (CSI)**

Consumer Satisfaction Index (CSI) shall be implemented by the DISCOMs through a structured and professional mechanism, in addition to existing consumer feedback systems such as the SARAL portal, call centres, and SMS-based platforms, with a target timeline of three months and monthly progress reporting.

The CSI shall be conducted through an independent third-party agency and measured against clearly defined service parameters, including quality of supply, complaint redressal, billing services, metering, and consumer interface.

Hon'ble Chairman suggested the HPUs for implementation of the Consumer Satisfaction Index with the objective of increasing competition among employees and utilities.

The guidelines for CSI shall be prepared right from the junior level (J.E.), enabling assessment of consumer satisfaction at section level, followed by sub-division, division, and higher levels, so as to assess consumer satisfaction at each level of the utility.

The DISCOMs shall define measurable benchmarks, identify service gaps based on CSI outcomes, and formulate corrective and improvement measures.

A detailed progress report, including methodology, benchmark scores, circle-wise results, and an action plan, shall be submitted in the ensuing meeting of the State Advisory Committee (SAC) and shall also be placed in the public domain for consumer awareness.

#### **2.7.17. ISO Certification**

Hon'ble Chairman noted that HPGCL is presently the only ISO certified utility among the four power utilities of Haryana. Accordingly, it was desired that HVPNL and the DISCOMs shall obtain ISO certification to ensure clearly defined processes, adoption of best practices, and improvement in operational efficiency, with a target timeline of three months and monthly progress reporting.

#### **2.7.18. Balanced Scorecard (BSC)**

Hon'ble Chairman emphasized that performance evaluation of the utilities must be comprehensive and outcome-oriented and must extend beyond financial results reflected in the balance sheet. It was observed that, in the absence of a structured performance evaluation framework, critical parameters such as customer satisfaction, operational efficiency, and employee capacity building are not adequately captured.

Accordingly, Hon'ble Chairman desired as under:

1. The utilities shall adopt and implement a Balanced Scorecard (BSC) framework within a target period of four months, with monthly progress reporting.
2. The BSC framework shall enable evaluation of performance at all levels, right from the post of Junior Engineer (J.E.) onwards, covering section, sub-division, division, and higher levels, to clearly identify the Key Performance Indicators (KPIs) of the utility at each level.
3. The BSC shall define clear, measurable, and outcome-oriented targets across key components, including financial performance, operational parameters, customer

satisfaction, employee career benchmarks, and capacity-building initiatives, covering all relevant functional areas.

4. A uniform performance rating system, such as Excellent, Very Good, Good, Average, and Unsatisfactory should be adopted, and performance outcomes under the BSC framework may be formally linked to incentives, profitability, and capacity-building measures, and shall form an integral part of management performance evaluation.
5. The utilities shall identify KPIs, prescribe measurable targets, assign clear responsibilities, and designate accountable officers for each KPI.
6. The BSC framework and annual performance outcomes shall be placed before the ensuing meeting of the State Advisory Committee (SAC) for review.

#### **2.7.19. Cost Optimization**

Hon'ble Chairman emphasized the need for strengthening of the Haryana Power Purchase Centre (HPPC) so that short-term purchase and sale of power can be minimized. HPPC was advised to adopt cost-optimization practices on the lines of other States such as Uttar Pradesh and Himachal Pradesh. Necessary action in this regard shall be taken on priority, as inefficiencies and avoidable costs are ultimately passed on to electricity consumers.

#### **2.7.20. Timely Implementation of Projects**

Hon'ble Chairman emphasized timely decision-making and implementation to avoid any loss to the Haryana Power Utilities (HPUs). It was observed that the progress of the Underground Cabling project is not up to the mark, despite the smart metering schedule having been finalized with the consent of the DISCOMs for the pilot project. The DISCOMs were advised to expedite implementation and address bottlenecks forthwith.

At the end the Hon'ble Chairman thanked all the SAC members and representatives for their valuable suggestions and assured that these will be considered while finalizing the commission's order on ARR/Tariff petition(s) filed by the Haryana Power Utilities.

## **CHAPTER 3**

### **ANALYSIS OF ARR FILINGS AND COMMISSION'S ORDER**

The Commission, while passing this Order for True-up of the FY 2024-25, Annual (Mid-year) Performance Review of the FY 2025-26 and determination of ARRs of the UHBVNL and DHBVNL of the FY 2026-27, has considered the provisions of the Electricity Act, 2003, HERC MYT Regulations, National Tariff Policy and all the relevant data / information placed on record by the parties from time to time.

#### **3.1 True-up of the ARR for the FY 2024-25**

The Discoms have submitted that true up petition(s) submitted by them are in line with the Regulation 13 of the MYT Regulations 2019. The truing up of uncontrollable items and controllable items (subjected to force majeure conditions or variations attributable to uncontrollable factors) are adjusted appropriately in the ensuing year through tariff resetting.

The Discoms have further submitted that for truing up of the ARR of the FY 2024-25, the actual expenditures of UHBVNL and DHBVNL have been considered as per the audited annual accounts. The True-up petitions filed by the Discoms have been examined by the Commission in the light of the MYT Regulations including its subsequent amendment(s), relevant Orders of the Commission and the audited accounts for the FY 2024-25 placed on record by the Discoms, keeping in view of details of audited expenses, income and corresponding revenue gap against the respective approved values.

#### **3.2 Operation & Maintenance Expenses (O&M)**

It has been submitted by the distribution licensees that according to Regulation 3.41 of HERC MYT Regulations 2019, Operation & Maintenance Expenses include the following -

- i. Employee Expenses including retiral benefits.
- ii. Repair & Maintenance Costs (R&M) and
- iii. Administrative and General Expenses (A&G)

It has been submitted that the Employee Expenses consist of salaries, dearness allowance, bonus, terminal benefits in the form of pension & gratuity, leave encashment and staff welfare expenses. The actuary valuation is carried out as per Indian Accounting Standard 19 and the liability towards the employees are shown under employee cost and Other comprehensive income (OCI) as per the requirement of IND -AS.

Repair and Maintenance expenses include regular expenditure made for improvement of system reliability and quality of power supply. These expenses are important for system maintenance and loss reduction in the distribution network.

Administrative expenses mainly comprise of rents, telephone and other communication expenses, professional charges, conveyance and travelling allowances etc.

**True-up proposed by UHBVNL:**

Actual O&M expenses incurred by UHBVNL as against the approved expenditure (after deducting the amount capitalized), as submitted by the distribution licensee are as follows: -

| UHBVNL proposed O&M Expenses for FY 2024-25 |                                   |                 | (Rs. Crore)     |
|---------------------------------------------|-----------------------------------|-----------------|-----------------|
| Sr. No.                                     | Particulars                       | Approved        | Actual          |
| 1                                           | Employee Expenses                 | 1,232.27        | 1,095.66        |
| 2                                           | Administration & General Expenses | 128.89          | 228.88          |
| 3                                           | Repair & Maintenance Expenses     | 187.05          | 171.67          |
| 4                                           | Terminal Liabilities              | 450.00          | 490.11          |
| 5                                           | <b>Total</b>                      | <b>1,998.21</b> | <b>1,986.33</b> |

It has been submitted by the petitioner to allow the actual employee cost of Rs 1,585.78 Cr including terminal liabilities.

UHBVNL further submitted that the actual A&G expenses for FY 2023-24 were Rs. 202.75 Cr. So, increase in A&G expenses in FY 2024-25 is marginal as compared to the last year.

The increase in A&G expenses is primarily due to higher cost related to meter reading, bill distribution and implementation of smart meters on TOTEX mode. Additionally, the annual license fee payable to HERC has risen substantially due to the 7th amendment to the HERC Fee Regulations, 2005.

While certain heads of expenses such as Advertisement, Travelling & Conveyance, have shown reduction over FY 2023-24, the Licensee has undertaken diligent cost control measures to keep the overall A&G expenses within prudent limits. There has been increase in expenses which are of the nature of Force Majeure like Legal and Technical Fees which depends on the quantum of litigation works. Moreover, there has been a significant improvement in both the standard of performance and quality of supply over the past few years.



In this regard, it is pertinent to note regulation 4.6 of the HERC MYT Regulations, 2019, which provides as under:-

*“There will be no true-up of the controllable items except on account of Force Majeure events or on account of variations attributable to uncontrollable items.”*

In view of these efforts and improvements, UHBVNL requested to approve the actual A&G expenses as submitted above.

Further, the petitioner submitted that the Repair and Maintenance expenses are less than the approved figures for FY 2024-25. Thus, the R&M expenses as submitted may be allowed for true-up of ARR for FY 2024-25.

Actual O&M Expenses as per the audited accounts for FY 2024-25, excluding Terminal Liabilities which is an uncontrollable factor as per the MYT Regulations 2019, are less than the approved O&M expenses. Thus, UHBVNL requested that the actual O&M expenses on overall basis may be allowed for true up of FY 2024-25.

**UHBVNL in its additional information submitted as under:**

O &M expenses have been increased mainly due to increase in terminal liability by Rs. 40.11 Cr.

Terminal benefits of Rs. 450 Cr. were approved for FY 2024-25 on the basis of approved amount for FY 2023-24 in the Tariff order dated 05.03.2024 but the same has been increased due to increase in no. of pensioners (approximately 250 employees), which were earlier considered in Actuarial Valuation of HVPN but these were considered in Actuarial Valuation of UHBVN in FY 2024-25 as they retired after 01.07.1999.

Actual A&G expenses in FY 2024-25 have increased with respect to actual A&G expenses in FY 2023-24 due to increase in expenses with respect to Meter reading/Bill Distribution/ Smart meters. Further, R&M expenses are at par vis-à-vis that in FY 2023-24.

UHBVNL submitted that there is marginal increase in the heads except expenses of Meter Reading/Bill Distribution/Smart Meter and Other expenses.

However, expenses of Meter Reading/Bill Distribution/Smart Meter have increased mainly due to increase in smart meter expenses paid to EESL i.e. Rs. 11.27 Cr. and Other expenses have increased due to increase in charges paid for maintenance of various Technical software running in UHBVN which amounts to Rs. 7.31 Cr.

With respect to the inclusion of CSR in A&G expenses, this is as per past practice done by the DISCOMs. The Hon'ble Commission approved CSR expenditure as part of A&G expenses in the Tariff Order dated 28.03.2025, after due prudence check. Further, the CSR activities undertaken by the Distribution Licensee are consumer-centric in nature and aimed at consumer welfare and service improvement. As per Regulatory provisions, UHBVN has filed True-Up of FY 2024-25 wherein the DISCOM has determined net Revenue Gap of Rs. 2,495.62 Cr. Even though the DISCOM is committed to undertake CSR activities.

**The Commission has examined the calculations of true up for the FY 2024-25 proposed by UHBVNL and observes that the total O&M expenditure, as per actuals, is largely within the approved amount except for the Administration & General and Employee Expenses. It is also observed that R&M expenditure incurred by UHBVNL is almost at par with the amount approved. It is further observed that the actual A&G expenses for the FY 2024-25 is more than that approved by the Commission i.e. A&G expenses have increased by Rs 99.99 crore in the true-up year.**

**Regarding unnecessary litigation and legal charges, the discoms to take note that necessary compliance of Hon'ble Supreme Court's directions in its judgment dated 20.04.2023 in Civil Appeal No. 11095 of 2018 passed in GMR Warora Energy Ltd. Versus CERC and Ors is complied with. The Apex Court in their order had directed that non-essential litigations need to be avoided and emphasized on requirements of timely payment of dues.**

**The Commission observes that an essential expenditure i.e. R&M, which is required to keep the distribution system in an optimum condition, has fallen little short of the approved amount by the Commission.**

**In view of above discussions, the discoms are advised to avoid unnecessary and unwarranted litigation to ensure development of the power sector and supply of electricity and efforts should be made to resolve inter-utility issues amicably. As directed by the Hon'ble Supreme Court, any appeal to it can only be on substantial question of law and frivolous litigation needs to be discouraged. Both the discoms also directed to analyse the litigation/legal expenses for the last 5 years and provide justification for the increasing expenses and create a mechanism/plan ensuring that Discoms do not file "unnecessary and unwarranted" appeals against CERC and APTEL orders, which create "constructive res judicata" (repeating legal arguments already settled).**

**The R&M activity needs to be pursued in the right earnest as it will go a long way in making available quality of power to the electricity consumers of Haryana.**

In this regard, it is pertinent to note regulation 4.6 of the HERC MYT Regulations, 2019, which provides as under:-

*“There will be no true-up of the controllable items except on account of Force Majeure events or on account of variations attributable to uncontrollable items.”*

Further, regulation 12.5.1 of the HERC (MYT) Regulations, 2019 provides as under:-

*The item wise losses on account of controllable factors in case of a distribution licensee shall be dealt with in the following manner:*

- (a) *The loss to the Distribution Licensee on account of Distribution losses, as may be admitted by the Commission after prudence check, shall be dealt with as under:*
  - (i) *One-third of the amount of such loss may be passed on as an additional charge in tariff over such period as may be specified in the Order of the Commission; and*
  - (ii) *The balance amount of loss shall be absorbed by the Distribution Licensee.*
- (b) *The item wise losses on account of other controllable factors, unless otherwise specifically provided by the Commission, shall be borne by the distribution licensee.”*

**Further, as a one-time measures, A&G expenses are allowed to the extent of actual excluding CSR expenditure amounting to Rs 4.35 crore and Penalty imposed on Nigam by Hon'ble HERC/CGRF/Courts etc. amounting to Rs 0.22 crore i.e. at Rs. 224.31 crore. However, the same may not be taken as precedence. As per proviso to clause 8.3 of MYT Regulations 2019, any penalty imposed on a distribution licensee by specific legal or regulatory bodies is explicitly disallowed from being recovered through the Aggregate Revenue Requirement (ARR). CSR expenditure arises out of a statutory corporate obligation under the Company Act which is linked to the profit of the company and the same should be done from the profit only and is not directly related to the licensed activity of supply of electricity. Therefore, the same is not allowed to be passed on to the consumers.**

**The approved O&M expenditure for UHBVNL is listed as under: -**

**Approved O&M expenses- UHBVNL FY 2024-25 (Rs. Crore)**

| Particulars                       | Approved (A) | Actual for FY 2024-25 (B) | Difference (C=B-A) | Revised Approved |
|-----------------------------------|--------------|---------------------------|--------------------|------------------|
| Employee Expenses                 | 1,232.27     | 1,313.66                  | 81.39              | 1,313.66         |
| Administration & General Expenses | 128.89       | 228.88                    | 99.99              | 224.31           |

| Particulars                   | Approved (A)   | Actual for FY 2024-25 (B) | Difference (C=B-A) | Revised Approved |
|-------------------------------|----------------|---------------------------|--------------------|------------------|
| Repair & Maintenance Expenses | 187.05         | 171.67                    | -15.38             | 171.67           |
| Terminal Liabilities          | 450            | 272.12                    | -177.88            | 272.12           |
| <b>Total</b>                  | <b>1998.21</b> | <b>1986.33</b>            | <b>-11.88</b>      | <b>1981.76</b>   |

**True-up proposed by DHBVNL:**

The component wise summary of actual and approved O&M expenses of DHBVNL for FY 2024-25 is as reproduced below: -

**Proposed DHBVNL O&M Expenses for FY 2024-25 (Rs. Crore)**

| S. No. | Particulars                                 | Approved (A)    | Actual (B)      |
|--------|---------------------------------------------|-----------------|-----------------|
| 1      | Employee Expenses                           | 1,313.09        | 1,232.64        |
| 2      | Administrative & General Expenses           | 166.49          | 196.41          |
| 3      | Repair & Maintenance Expenses               | 248.82          | 221.56          |
| 4      | Terminal Benefits                           | 697.77          | 629.26          |
| 5      | Impact of sharing and gains of O&M Expenses |                 | 38.90           |
|        | <b>Total O&amp;M Expenses</b>               | <b>2,426.17</b> | <b>2,318.76</b> |

DHBVNL in its petition submitted that the actual net employee cost for FY 2024-25 is lower than the approved employee cost, therefore, DHBVNL requested to allow the actual employee expense. The actual R&M expenses for FY 2024-25 is less than approved, hence, requested to allow actual R&M Expenses. The increase in Administrative and General (A&G) Expenses is attributable to several critical factors: legal fees required for both ongoing and new litigations, consultancy engagements aimed at driving operational efficiencies, an escalated regulatory license fee, and elevated costs for meter reading and bill distribution. Furthermore, substantial investments in IT infrastructure have been essential to enhancing service delivery and operational productivity. Despite these additional expenditures, we have achieved a meaningful reduction in AT&C losses, remaining within the approved targets for FY 2023-24, along with marked advancements in service performance standards and supply quality.

It is submitted that the Licensee Fee has escalated from Rs. 9.03 crore in FY 2023-24 to Rs. 11.18 crore in FY 2024-25. DHBVN submits that this increase is beyond its control, as the Licensee Fee is calculated based on the Aggregate Revenue Requirement (ARR), which is determined by regulatory norms.

Further there has been a notable increase in CSR expenses attributed to the implementation of various CSR initiatives undertaken by DHBVN in line with directives from the Government of Haryana (GoH). These initiatives are aimed at fulfilling the organization's social responsibilities and contributing to community welfare.

In light of these necessary expenditures and the positive impact on operational outcomes, DHBVNL requested approval of the increased A&G expenses. The escalation in A&G expenses reflects essential investments that have driven measurable improvements in performance and service quality.

**DHBVNL in its additional information submitted as under:**

As per Audited Annual Accounts A&G expenditure has been reduced from 203.82 crore to 196.40 crore in FY 2024-25. However, approved A&G on normative basis is Rs. 166.49 crore as per tariff order dated 05.03.2024. The major components of A&G expenditure are as under: -

- a. Lease line expenditure Rs. 2.25 crore.
- b. Call centre expenditure Rs. 4.25 crore.
- c. Legal charge Rs. 10.53 crore.
- d. Consultancy Rs. 20.15 crore
- e. Bill reading Rs. 39.28 crore.
- f. Store and watch Rs. 3.34 crore.
- g. Bijli Suvidha Rs. 5.37 crore
- h. Hiring of Vehicle Rs. 28.00 crore.
- i. TA of Staff Rs. 5.32 crore
- j. Heavy vehicle diesel Rs. 1.25 crore
- k. Auction commission Rs. 1.50 crore
- l. Marchant discount Rs. 9.13 crore
- m. Material/Samples testing Rs. 3.88 crore

It is submitted that the employee's expenditure for the FY 2024-25 is within limit as approved by Hon'ble Commission actual employee expenditure is Rs. 1232.64 crore against the approved Rs. 1313.09 crore.

| Account Codes               | Particulars                                                                        | 31st March 2025 | 31st March 2024 | Submissions                                                                                                                                                                                                                                   |
|-----------------------------|------------------------------------------------------------------------------------|-----------------|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 75.01                       | Basic Salaries                                                                     | 555.57          | 462.60          | As per Govt. CSR Rule salary of employee enhanced @ 3% as annual increment thus approx. Rs. 14.00 crore is additional cost as well as approx. 2300 no. new employee has been recruited during FY 2024-25.                                     |
| 75.3                        | Dearness Allowance                                                                 | 284.13          | 216.17          | Dearness allowance has been increased from 50% to 55% during FY 2024-25.                                                                                                                                                                      |
| 75.4                        | Other Allowance                                                                    | 77.46           | 65.38           | Due to additional/new employees                                                                                                                                                                                                               |
| 75.611<br>613, 614<br>& 615 | Medical expenses reimbursement (Indoor & Outdoor)                                  | 21.97           | 16.64           |                                                                                                                                                                                                                                               |
| 75.612                      | Leave Travel Concession                                                            | 32.66           | 7.88            | Due to last year block, remaining balance employees claim outstanding LTC                                                                                                                                                                     |
| 75.633                      | Pension contribution of new staff                                                  | 415.54          | 209.44          | Total actuary valuation of new and old employees has been decreased from Rs. 624.54 Crore to Rs. 553.64 Crore. The total terminal along with liabilities NPS for FY 2024-25 is Rs. 629.26 Crore i.e. within approved 697.77 limit Rs. Crores. |
| 75.640<br>to<br>75.643      | Expenditure on Employees Engaged on Contractual Basis (Data Entry Operator/SA/ALM) | 269.64          | 255.37          | Salary is paid as per HKRN rules and regulations.                                                                                                                                                                                             |

Further, Conveyance and traveling expenditure includes Rs. 28.00 Crore for hiring of outsource vehicle and Rs. 5.32 Crore traveling allowance for staff and Rs. 2.00 Crore for petrol expenditure.

**The Commission has carried out detailed scrutiny of the actual Employee Expenses, Administrative and General expenses and Repairs and Maintenance expenses in accordance with the provisions of MYT Regulations, 2019. The Commission has examined the true up for the FY 2024-25 proposed by DHBVNL and observes that the total O&M expenditure as per actuals is lower than that approved by the Commission for the year, except for Administration & General Expenses. The Commission has considered the actual Operation and Maintenance expenses capitalized during the year as per the audited accounts of FY 2024-25 and has reduced the same from the admitted Operation and Maintenance expenses.**

**The Discoms should be mindful of the fact that inefficiencies of any sort, cannot be allowed to be pass through in the ARR on the electricity consumers of the State.**

Further, the Commission observes that increase in the A&G expenses can be allowed limited to Rs 193.51 crore, as a one-time measures, excluding the amount incurred on CSR of Rs 2.9 crore. However, the same may not be taken as precedence. The Commission already stated the reasoning and directives in preceding paras for limiting the O&M expenses by reducing unnecessary ligations and wasteful expenditure.

The Commission is of the view that both the licensees should take all efforts to limit the O&M expenses within the normative level and any additional expenses relating to uncontrollable factors or one-time expenses can be considered at the time of Truing Up of accounts only after prudence check by the Commission.

Accordingly, the Commission is of the considered view that the O&M expense is to be approved only in line with prevailing regulations and approved O&M of DHBVNL is as under:

Approved O&M expenses- DHBVNL FY 2024-25 (Rs. Crore)

| Particulars                             | Approved (A) | Actual (B) | Difference (B-A) | Revised Approved |
|-----------------------------------------|--------------|------------|------------------|------------------|
| Employee Expenses net of capitalization | 1313.09      | 1232.64    | -80.45           | 1232.64          |
| Administration & General Expenses       | 166.49       | 196.41     | 29.92            | 193.51           |
| Repair and Maintenance Expenses         | 248.82       | 221.56     | -27.26           | 221.56           |
| Terminal Liabilities                    | 697.77       | 629.26     | -68.51           | 629.26           |
| Impact of sharing and gains of O&M      |              | 38.9       | 38.9             | 0.00             |
| Total                                   | 2426.17      | 2318.77    | -107.4           | 2276.97          |

Further, as a one-time measures, terminal liabilities are allowed on actuarial basis. It is further apposite to note that in the control period from FY 2025-26 to FY 2029-30, terminal liabilities shall be allowed to the extent of actual paid to the retirees without considering amount booked under 'Other comprehensive income, Item that will not be reclassified to Profit & Loss Account', at par with the regulation 59.4 (note 4) of HERC MYT Regulations, 2024.

In this regard, Discoms are directed to provide, within three months from the date of issue of this order, total funds value in the trusts constituted to meet terminal liability as on 31.03.2026, annual return on these funds including return in the FY 2025-26 and terminal liabilities being met out of these funds on an annual basis.

Further, both the petitioner(s) have claimed Sharing of Gains & Losses on account of variation/reduction in Employee Expenses (Rs 26 crore for UHBVNL and Rs 38.9 crore for

DHBVNL), as per the provisions of Regulation 57 read with Regulation 12 of the HERC MYT Regulation, 2019. The details are as under:

**Proposed UHBVNL Sharing of Gains & Losses for Employee Expenses for FY 2024-25 (Rs Crores)**

| Particulars                                            | Proposed     |
|--------------------------------------------------------|--------------|
| Approved O&M Expense                                   | 1,548.21     |
| Actual O&M Expenses                                    | 1,496.21     |
| Difference in Expenses (Approved vs Actual)            | 52.00        |
| <b>Sharing of Gain and Losses for O&amp;M Expenses</b> | <b>26.00</b> |

**Proposed DHBVNL Sharing of Gains & Losses for Employee Expenses for FY 2024-25 (Rs Crores)**

| Particulars                       | Approved | Actual       |
|-----------------------------------|----------|--------------|
| Employee Expenses                 | 1,313.09 | 1,232.64     |
| A&G Expenses                      | 166.49   | 196.41       |
| R&M Expenses                      | 248.82   | 221.56       |
| Total O&M Expenses                | 1,728.40 | 1,650.60     |
| <b>Sharing of Gain and Losses</b> | <b>-</b> | <b>38.90</b> |

The Commission has examined the relevant provisions in the regulations which in unequivocal terms provides that the overall aim is to incentivize better performance and penalize poor performance. The Commission had observed that Discoms are faced with huge revenue gap mainly due to substantial increase in the average power purchase cost and accumulated FSA of Rs. 8725.63 crore as on 31.03.2025. The Discoms have not yet implemented the 'Fuel and Power Purchase Adjustment Methodology' prescribed in the Regulation 66 of HERC MYT Regulations, 2019 (3rd Amendment) Regulations, 2023. This by no stretch of imagination be termed as a performance which should be incentivized.

In view of the same, Discoms are duty bound to exercise utmost discipline in the ARR on claims of notional gains. Accordingly, Discoms are not allowed any incentive claimed under regulation 12 of HERC MYT Regulations, 2019.

### 3.3 Depreciation

#### UHBVNL

That vide order dated 05.03.2024, the Commission had approved Rs. 415.97 Crore expenditure towards depreciation to UHBVNL for FY 2024-25. Further, on perusal of the audited accounts of the Nigam, gross depreciation amounting to Rs. 447.33 Crores is calculated based on Opening & Closing GFA respectively. As per the MYT regulations in vogue, net expenditure towards depreciation amounts to Rs. 351.63 Crore for UHBVNL in FY 2024-



25, after adjustment of depreciation on the assets created from consumer contribution and grants (amounting Rs. 95.70 Crores).

As the actual expenditure towards depreciation is less than the expenses approved for UHBVNL for FY 2024-25 in the Tariff Order dated 05.03.2024. **Accordingly, the Commission approves the actual expenditure toward depreciation as per the audited accounts i.e. Rs 351.63 crore, as proposed by the UHBVNL for the FY 2024-25.**

#### **DHBVNL**

The Hon'ble Commission vide its Tariff Order dated 05.03.2024 had allowed depreciation of Rs. 416.53 Crore for FY 2024-25 for DHBVNL. As per the Audited Accounts for FY 2024-25, gross depreciation works out as Rs 604.26 Crore. The gross depreciation is adjusted further with the depreciation on consumer contribution and grants amounting to Rs. 218.70 Crore, to work out the net depreciation as Rs. 385.56 Crore during FY 2024-25. DHBVNL submitted that the actual expenditure towards depreciation is less than the expenses approved for DHBVNL for FY 2024-25 in the tariff order dated 05.03.2024 and requested to allow actual expenditure toward depreciation for FY 2024-25.

The Commission observes that as the actual expenditure towards depreciation is lower than the expenses approved for DHBVNL for FY 2024-25 in the tariff order dated 05.03.2024, **the Commission allows actual expenditure toward depreciation for FY 2024-25 amounting to Rs 385.56 Crore, after adjustment of depreciation on the assets created from consumer contribution and grants.**

### **3.4 Interest on Consumers Security Deposit**

Regulation 21 of the HERC MYT Regulations, 2019 provides that the approach for estimation of the interest on consumer security deposit. The relevant excerpt of the aforesaid regulation is reproduced below:

#### *“21. INTEREST ON LOAN CAPITAL*

*21.4 Interest shall be allowed on the amount held as security deposit held in cash from Transmission System Users, Distribution System Users and Retail consumers, at the Bank Rate as on 1st April of the financial year in which the petition is filed provided it is payable by the transmission/distribution licensee.”*

**UHBVNL:**

The interest on the consumer security deposit for FY 2024-25 as per the audited accounts vis-à-vis the approved in Tariff Order dated 05.03.2024 is shown in the table below.

**UHBVNL proposed Interest on Consumer Security Deposit for FY 2024-25 (Rs Crores)**

| Sr.No. | Category                               | Approved | Actual |
|--------|----------------------------------------|----------|--------|
| 1.     | Interest on Consumer Security Deposits | 125.18   | 115.19 |

UHBVNL requested that the actual interest on consumer security deposit be approved for truing up of ARR for FY 2024-25.

**DHBVNL:**

Similarly, DHBVNL submitted that the Hon'ble Commission, vide its Tariff Order dated 05.03.2024 had approved Rs. 198.77 Crore as interest on consumer security deposit for FY 2024-25. However, the actual expenses incurred is Rs. 116.70 Crore during FY 2024-25, which is less in comparison to the approved interest on consumer security deposit by the Hon'ble Commission.

Therefore, DHBVNL has requested that the Commission may approve the actual interest on consumer security deposit to DHBVNL for the FY 2024-25.

**In view of above submissions by the discoms, the Commission observes that the actual expenditure of UHBVNL and DHBVNL on interest on consumer security deposit is less than that the amount approved by the Commission and accordingly, approves the same for true up.**

**3.5 Interest on Capex loans**

**UHBVNL**

In its petition, UHBVNL submitted that the Regulation 21 of the HERC MYT Regulations, 2019, provides the approach for estimating the interest on long term loans. The interest on capex loan for FY 2024-25 as per the audited accounts vis-à-vis approved in Tariff Order dated 05.03.2024 are given below:

**UHBVNL Proposed Interest on Long Term Loans for FY 2024-25 (Rs Crores)**

| Particular                           | Approved      | Actual        |
|--------------------------------------|---------------|---------------|
| Interest on Capital Loans            | 201.95        | 287.65        |
| <i>Less: Interest Capitalized</i>    | <i>43.62</i>  | <i>77.59</i>  |
| <b>Net Interest on Capital Loans</b> | <b>158.33</b> | <b>210.06</b> |

The interest on long term loans for FY 2024-25 as per the audited accounts is more than the approved. The increase in interest cost of long-term loans is primarily on account of issuance of fresh loans availed for creation of new assets.

That UHBVNL has requested that the actual interest cost on the long-term loans may be approved for truing up of ARR for FY 2024-25.

The details of the CAPEX loans and working capital loans along with opening, closing, addition and repayment for FY 2024-25 and FY 2025-26 have been submitted by UHBVNL, as part of additional information.

With regard to the Commission's observation on the exceptional increase in interest on long term loans, Nigam submitted that there is only a marginal increase of ₹17.17 crore in interest on capex loans (₹210.06 crore as against ₹192.89 crore).

It is further intimated that there is an increase in interest on working capital loans of 55.07 crore (387.80 crore less 332.73 crore) which is due to regulatory gap of 3245 crore (UHBVNL share approx. 1330 crore) left in the ARR order of FY 2024-25 of the State Discoms. UHBVNL has to meet with the regulatory gap by utilizing the working capital facility, resulting increase in the interest cost on working capital facility.

Some term loans have been taken to meet with the working capital requirement. Interest on these term loans have been booked in the note no. 22.

The interest on capex loan and working capital loan has been bifurcated separately in the balance sheet and in the True-Up Petition and there is no mismatch between two of them.

The reasons for using term loans for working capital requirement is due to the following: -

- a) Recovery of the FSA/FPPSA is being made over the period. To meet with this gap arisen due to pending recovery of FSA/FPPAS term loans have been taken.
- b) One-time fixed guarantee fees i.e. 2% of the credit facility, is also being charged by the State Government. As such, to avoid this fixed cost to be charged by the State Government, credit facility has been taken for longer period.
- c) 75% of the ROE (Return on Equity) approved by the HERC is being used as owner contribution. As such, payment of debt service capacity in respect of working capital loan is limited/narrow.
- d) DSCR (Debt Service Coverage Ratio) will also adversely affected due to drawn of short-term loans.

- e) Due to limited paying capacity, Nigam has to borrow long term working capital loan for paying in small instalments in a longer period to avoid the immediate repayment burden of short-term loans.

UHBVNL has also provided the detail of capex financing as under:

| Particulars                                                           | Rs in Crore |
|-----------------------------------------------------------------------|-------------|
| Total Capex of FY 2024-25                                             | 1586.51     |
| <b>Source of Financing of Capex of FY 2024-25</b>                     |             |
| Consumer Contribution                                                 | 195.71      |
| Grant under RDSS Scheme                                               | 144.08      |
| Own Contribution                                                      | 249.34      |
| Capex loan availed in FY 2024-25                                      | 830.00      |
| Capex loan availed in FY 2025-26 to meet with the Capex of FY 2024-25 | 167.38      |
| Total – Financing of Capex of FY 2024-25                              | 1586.51     |

The Commission has examined the interest cost actually incurred by the licensee during the FY 2024-25 as against that approved by the Commission. At the onset, as mentioned in the last few ARR orders, the Commission observes that the Nigam should not divert the long-term funds for the short-term/working capital purposes.

The Commission has examined the interest cost actually incurred by the licensee during the FY 2024-25 as against that approved by the Commission and observes that the classification of term loan into working capital loan has created and will further more invariably create a mismatch of funds repayment issue, which will impact the working capital and business sustainability.

The Commission observes that UHBVNL has incurred Expenditure on capital works (CAPEX) amounting to Rs. 1586 Crores as per the audited accounts of the FY 2024-25 as against Rs. 1036 Crores approved by the Commission in the Tariff Order dated 05.03.2024 for the FY 2024-25. Accordingly, UHBVNL is directed to submit scheme-wise and item-wise details of unapproved capex Rs. 550 crore, made during the FY 2024-25, including other details such as salvage value of replaced parts, frequency of similar work, nature of work i.e. preventive maintenance or repair of already damaged equipment, guarantee given by the contractor in respect of the work done, impact on the life of the plant on account of work so done etc. Justification of each item of such expenditure to be provided by UHBVNL in their ensuring ARR filing incorporating details of approved CAPEX, unapproved CAPEX, exigencies leading

**to the incurrence of unapproved CAPEX, nature of such CAPEX, whether the expenditure is incurred on replacement of existing asset or in the nature of repair, cost and residual value of asset replaced, etc.**

**However, the Commission observes that UHBVNL has claimed additions to consumer contributions amounting to Rs 339.79 crore and additions to capex loan amounting to Rs 830 crore, for the FY 2024-25, which is within the approved CAPEX of Rs. 1036 crore. Accordingly, Rs 830 crore can be allowed towards additions towards capex loan, as per actual, and the interest will be allowed on the same at the actual weighted average rate of FY 2024-25 capex loans i.e. 8.61%.**

**As the revised approved interest on long term borrowing is almost equal to the amount actually approved by the Commission in Tariff Order dated 05.03.2024 and its funding thereto; accordingly, the actual audited interest cost of Rs 210.06 crore, is approved as proposed, after deducting the interest capitalized of Rs 77.59 crore, for true up for the FY 2024-25.**

#### **DHBVNL**

DHBVNL, in its petition, has submitted that the Commission vide its Tariff Order dated 05.03.2024 has allowed Rs. 161.96 Crore to DHBVN towards the interest liability on long-term borrowing for FY 2024-25. However, as per the Audited Accounts the gross interest liability towards long term borrowing is Rs. 375.30 Crore. After adjusting interest capitalization Rs. 222.43 Crore and Interest subsidy capitalization of Rs. 2.39 Crore, the net interest cost of DHBVN on long-term loans works out as Rs. 150.49 Crore for FY 2024-25.

Accordingly, DHBVN has requested to allow the actual interest cost on long-term borrowing to DHBVN for FY 2024-25.

Also, DHBVNL through additional information stated that there are no exceptional increases in the interest cost of long-term Capex loan/borrowings as the same is within permissible limit allowed by Hon'ble Commission vide its order dated 05.03.2024. However, the interest cost on the working capital loan has increased abnormally due to shortfalls in timely tariff recoveries from consumers as well as delays in disbursement of government subsidies.

Due to non-recovery of subsidies including accrual FSA booked previously FYs towards raising of working capital requirement to meet with power purchase obligation to maintain uninterrupted power supply.

The details of bifurcation on interest cost as per audited accounts in terms of long terms Capex loans and working capital loans along with purpose of loan obtaining has been shared for record. In view of above, DHBVNL requested to consider and approve the actual interest on working capital as necessary/prudent expenditure with allow the same during truing-up of ARR for FY 2024-25. Such approval is essential to preserve the financial health of the utility and qualitative power supply to consumers under DHBVNL jurisdiction.

From the audited accounts and data available on record, the Commission observes that Rs 375.3 crore was the actual interest on capex loan, whereas subsidy is Rs 2.39 crore and Interest Capitalized is Rs 222.43 crore. Further, DHBVNL in its additional information submitted that as per subsidy order, Rs. 2.39 Crore has been released by Govt. on account of NEF Interest Subsidy paid to REC. So, the same has been credited to interest cost . So, the net actual interest on capex loans proposed by DHBVNL is Rs 150.48 crore.

**Capital Expenditure (CAPEX) allowed to DHBVN as per the Tariff Order dated 05.03.2024 is Rs. 1,276.00 Crore for FY 2024-25. As per the audited accounts, DHBVN has incurred the capital expenditure of Rs. 1,658.36 Crore for FY 2024-25.**

Accordingly, DHBVNL is directed to submit scheme-wise and item-wise details of unapproved capex Rs. 382.36 crore, made during the FY 2024-25, including other details such as salvage value of replaced parts, frequency of similar work, nature of work i.e. preventive maintenance or repair of already damaged equipment, guarantee given by the contractor in respect of the work done, impact on the life of the plant on account of work so done etc.

However, the Commission observes that DHBVNL has claimed additions to consumer contributions amounting to Rs 587.32 crore and additions to capex loan amounting to Rs 1070.05 crore, for the FY 2024-25.

Nevertheless, taking cognizance of the financial difficulty faced by petitioner, as the financial statements of the petitioner have already been finalized, the Commission considers it appropriate to allow the same, as a one-time measure which should not be treated as a precedence, subject to the justification of each item of such expenditure to be provided by DHBVNL in their ensuring ARR filing incorporating details of approved CAPEX, unapproved CAPEX, exigencies leading to the incurrence of unapproved CAPEX, nature of

such CAPEX, whether the expenditure is incurred on replacement of existing asset or in the nature of repair, cost and residual value of asset replaced, etc.

In view of the above, Rs 1070.05 crore is allowed towards additions towards capex loan and the interest is allowed on the same at the actual weighted average rate of FY 2024-25 capex loans i.e. 8.77%.

As the revised approved interest on long term borrowing is almost equal to the amount actually approved by the Commission in Tariff Order dated 05.03.2024 and its funding thereto; accordingly, the adjusted interest cost of Rs 150.11 crore, is approved, after deducting the interest subsidy of Rs 2.39 crore and interest capitalized of Rs 222.43 crore, for true up for the FY 2024-25.

**Approved Interest on Long Term Loans for FY 2024-25 (Rs Crores)**

| Particulars                       | Approved | Revised approved |
|-----------------------------------|----------|------------------|
| Opening Balance                   | 3557.94  | 3,948.93         |
| Addition during the year          | 733.11   | 1,070.05         |
| Repayments of Loan                | 416.53   | 417.67           |
| Closing Balance                   | 3,874.52 | 4,601.30         |
| Average balance during the Year   | 3,716.23 | 4,275.11         |
| Interest Rate (%)                 | 8.36%    | 8.77%            |
| Interest Payment                  | 310.68   | 374.93           |
| Less: Interest Capitalized        | 148.72   | 222.43           |
| Net Int. on Capex Loans           | 161.96   | 152.50           |
| less interest subsidy             |          | 2.39             |
| <b>Net Interest on capex loan</b> |          | <b>150.11</b>    |

The Commission, as stated in the preceding paras of this order, in both the licensees i.e. UHBVNL and DHBVNL, observed that actual capital expenditure exceeds the allowed capital expenditure vide order dated 05.03.2024. The Commission allows the excess capital expenditure incurred by the DISCOMs as a one-time measure. However, the Commission strictly directs UHBVNL and DHBVNL to exercise caution and obtain prior approval from the Commission before exceeding the project-wise sanctioned capital expenditure in the future. Future capital investments must remain within the budgetary provisions and approved capital investment plans to ensure compliance with the MYT regulations.

### 3.6 Interest on Working Capital Loan

Regulation 22 of the HERC MYT Regulations, 2019, provides the approach for estimation of interest on the working capital.

**“22. INTEREST ON WORKING CAPITAL**

**22.1 Components of working capital:**

*For the purpose of computing working capital the components mentioned in the table below shall be considered:*

...

**II. Retail supply of electricity:**

*a) Normative O&M expenses for retail supply business for 1 (one) month;*

*b) Maintenance spares for 1 (one) month based on annual requirement considered at 1% of the GFA at the end of the previous year;*

*c) Uncollected revenue to be calculated as: Revenue billed for the relevant year \* (1 – Normative Collection efficiency)*

*d) Receivables equivalent to 1 (one) month of billing less consumers security / advance consumption deposit.*

*Provided that for the purpose of Truing-up for any year, the working capital requirement shall be re-computed on the basis of the values of components of working capital approved by the Commission in the Truing-up before sharing of gains and losses;*

**22.2 Rate of Interest**

*Rate of interest on working capital shall be equal to the MCLR of the relevant financial year plus a maximum of 150 basis points. However, while claiming any spread, the generator and the licensees shall submit loan sanction letter from the banks/ lending institutions, indicating the applicable rate of interest.*

*For the purpose of truing up, the actual weighted average Rate of Interest will be considered on the normative working capital by the Commission, subject to the ceiling margin as indicated above.*

**UHBVNL:**

UHBVNL, in its petition, has submitted that the Regulation 22 of the HERC MYT Regulations, 2019, provides the approach for estimation of interest on the working capital.

The Interest on working capital for FY 2024-25 as per the audited accounts and approved in the Tariff Order dated 05.03.2024 is as below:

**UHBVNL Proposed Interest on Working Capital Loan**

| Sr. No | Particulars                       | Approved | Actual |
|--------|-----------------------------------|----------|--------|
| 1      | Interest on Working Capital Loans | 126.51   | 379.71 |
| 2      | Interest on HVPNL Bonds           | -        | 8.09   |
| 3      | <b>Total</b>                      | 126.51   | 387.80 |

The actual interest cost on the working capital as per Audited Accounts of FY 2024-25 is Rs. 387.80 Cr. including interest on HVPNL Bonds. It is pertinent to mention that the impact of the increase in fuel power purchase cost has not been passed on entirely to the consumers



instead it is spread over to longer duration to avoid the tariff shock to the consumers. Due to such a situation the interest on the working capital has increased in actual than the approved amount.

UHBVNL has submitted that for the purpose of True-Up, actual Interest on working capital for FY 2024-25 has been considered as per Audited Accounts. The Nigam has requested that the actual interest cost on the Working Capital loans of Rs 387.80 crore may be approved for truing up of ARR for FY 2024-25.

**The Commission has examined the submission of UHBVNL and observes that during the FY 2024-25, it has borne interest cost of Rs 8.09 Cr towards HVPNL Bonds. The interest cost on borrowings which are not part of the expenses to be allowed as per MYT Regulations are to be treated in accordance with the relevant order of the Commission i.e. the order dated 05.03.2024, therefore, interest on HVPNL bonds have not been allowed and considered as part of actual interest. The Commission disallows interest costs on HVPNL/UDAY bonds to ensure electricity tariffs remain cost-reflective and sustainable, preventing the burden of past debts from being passed onto consumers through higher tariffs. Such interest is of the nature of financial restructuring rather than direct operational cost, with the Commission focusing on normative costs, in line with the MYT Regulations.**

**The Commission observes that the working capital loans have increased due to deferment of recovery of FPPAS from consumers. In this regard, it is also pertinent to note that the Commission, in its order dated 10.06.2025 (Petition No. 5 of 2025 and 6 of 2025), , while deciding the petition of the discoms to allow the relaxation from charging the monthly FPPAS, has decided as under:-**

***“..... It is added that although the relief sought by the Discoms is in the larger public interest, but, due to delayed charging of FPPAS in contravention of the regulations having force of law, the petitioner (s) cannot be allowed to recover holding costs on the deferred FPPAS. In this regard, the petitioner (s) are advised to be mindful of the compliance of the regulations duly notified after following the due process of public consultation including the petitioner (s) herein. The Discoms should gear up its resources so as to implement FPPAS as provided in the regulations in vogue.”***

The Commission further observes that UHBVNL and DHBVNL have earned interest income amounting to Rs. 1467.47 crore comprising of delayed payment surcharge from customers amounting to Rs. 974.85 crore (UHBVNL Rs. 401.50 crore, DHBVNL 573.35 crore), early payment rebate from generators amounting to Rs. 479.93 crore (UHBVNL Rs. 128.18 crore, DHBVNL 351.75 crore) and early payment rebate from suppliers amounting to Rs. 12.69 crore (UHBVNL), which is far more than the disallowed portion of interest on working capital. Hence, DISCOMs have enough cushion to meet their excess interest cost.

Thus, interest on working capital on account of additional borrowings of Discoms, due to deferment of receivables, is not allowed as pass through in the ARR. Besides, the Commission as per accepted practice, has retained the working capital borrowings to the normative or actual level, whichever is lower. The working capital is allowed based on norms in MYT regulations and the actuals are reviewed during the "True-up" stage, where variations are recomputed and sometimes adjusted, but only within the set regulatory framework. The normative approach over actuals for working capital is preferred to ensure operational efficiency, consistency and to avoid passing on inefficiencies to consumers.

However, the rate of interest on working capital is allowed, at actual average rate of interest for the FY 2024-25 i.e. 8.86% p.a.

The Commission allows the normative interest on working capital, being lower than the actual interest i.e. Rs 128.73 crore.

**UHBVNL Approved Interest on Working Capital Loan (Rs. Crore)**

| <b>FY 2024-25</b>                    |                             |                        |
|--------------------------------------|-----------------------------|------------------------|
| <b>Interest on working capital</b>   | <b>Order dt. 05.03.2024</b> | <b>Revised True up</b> |
| O&M expenses for 1 month             | 166.52                      | 165.15                 |
| Maintenance spares 1% of opening GFA | 103.57                      | 105.42                 |
| 2 months receivables                 | 3103.49                     | 3336.22                |
| Uncollected revenue                  | 93.1                        | 100.09                 |
| <b>Total</b>                         | <b>3466.68</b>              | <b>3706.87</b>         |
| Less                                 |                             |                        |
| ACD                                  | 1759.44                     | 2253.90                |
| <b>Net working capital</b>           | <b>1707.24</b>              | <b>1452.97</b>         |
| Interest rate                        | 7.41%                       | 8.86%                  |
| <b>Interest cost</b>                 | <b>126.51</b>               | <b>128.73</b>          |

**DHBVNL:**

DHBVNL, in its petition, has stated that the Hon'ble Commission vide its Tariff Order dated 05.03.2024 has approved interest cost on working capital as Rs 126.49 Crore for FY 2024-25. Based on the revised ARR submitted in the current petition, the Normative working capital requirement has been worked out in line with the provision of Regulation 12 of HERC MYT Regulations, 2019. As per Regulation 22.2 of HERC MYT Regulations, 2019, rate of interest on working capital is considered as 10.15% (SBI 1 Yr. MCLR of 8.65% as on 01.04.2024 plus 150 basis points). Normative Interest on working capital is computed as Rs. 220.25 Crore for FY 2024-25.

However, as per the Audited Accounts, actual interest cost on working capital for FY 2024-25 is Rs. 637.45 Crore, which is much higher than the normative interest on working capital. The interest cost on the working capital has increased primarily due to refraining the retail supply tariff to its existing applicable rates.

DHBVN further submitted that DHBVN has incurred an actual interest cost towards working capital borrowing during FY 2024-25 which is much higher than the normative interest computed in accordance with the HERC MYT Regulations, 2019. This divergence is not incidental but arises from persistent structural and operational challenges including elevated market lending rates during the year, delays in disbursement of government subsidies and shortfalls in timely tariff recoveries from consumers. As a distribution licensee operating under sustained liquidity stress, DHBVN has been compelled to resort to short-term borrowings to maintain uninterrupted power supply, uphold system reliability, and meet essential operational and statutory obligations. The normative framework under Regulation 13.1(b) of the HERC MYT Regulations, 2019 provides a benchmark for estimation, but it does not adequately reflect the actual financial exigencies faced by the utility.

It is pertinent to note that Regulation 13.1(b) stipulates that:

“Interest on working capital shall be allowed on the normative basis as specified in these Regulations, subject to prudence check.”

However, the prudence check must account for real-world financial constraints and the utility's obligation to maintain service continuity. Disallowance of actual interest cost would not only impair DHBVN's financial sustainability but also contravene the principles of cost-

reflective tariff determination as envisaged under Section 61(c) and Section 62(1) of the Electricity Act, 2003, which mandate the Recovery of costs of electricity in a reasonable manner, Promotion of efficiency, good performance, and optimum investments.

Moreover, Section 61(d) emphasizes safeguarding the consumer interest while ensuring recovery of legitimate costs incurred by the licensee.

In light of the above, DHBVN prayed to consider and approve the actual interest on working capital as a necessary and prudent expenditure, and allow its full pass-through in the trueing-up of ARR for FY 2024–25. Such approval is essential to preserve the financial health of the utility and ensure continued delivery of reliable and quality power to consumers across Haryana.

Accordingly, DHBVNL has requested to allow the actual interest on working capital to DHBVN for FY 2024-25.

**The Commission has examined the submission of DHBVNL and observes that the principles for allowing the interest on working capital has already been discussed in the preceding para, while calculating the allowed interest on working capital for UHBVNL, during the FY 2024-25. Further, planned and quick implementation of smart prepaid meters for all consumers, government offices and industrial users shall help to eliminate payment delays and improve billing efficiency, thereby reducing the burden on working capital.**

**The rate of interest on working capital is allowed, at actual average rate of interest for the FY 2024-25 of DHBVNL i.e. 9.45% p.a.**

| <b>DHBVNL Approved Interest on Working Capital Loan</b> |                             | <b>(Rs. Crore)</b>     |
|---------------------------------------------------------|-----------------------------|------------------------|
| <b>FY 2024-25</b>                                       |                             |                        |
| <b>Interest on working capital</b>                      | <b>Order dt. 05.03.2024</b> | <b>Revised True up</b> |
| O&M expenses for 1 month                                | 202.18                      | 189.75                 |
| Maintenance spares 1% of opening GFA                    | 115.18                      | 138.31                 |
| 2 months receivables                                    | 4325.16                     | 4539.06                |
| Uncollected revenue                                     | 129.75                      | 136.17                 |
| Total                                                   | 4772.27                     | 5003.29                |
| Less                                                    |                             |                        |
| ACD                                                     | 2823.34                     | 3313.69                |
| Net working capital                                     | 1948.93                     | 1689.60                |
| Interest rate                                           | 6.49%                       | <b>9.45%</b>           |
| <b>Interest cost</b>                                    | <b>126.49</b>               | <b>159.67</b>          |

### **3.7 Total Interest Expenses including cost of raising Finance and Guarantee Fee**

The Commission had allowed Rs 34.90 crore as expenditure towards cost of raising finance and guarantee fee to UHBVNL and Rs. 32.40 Crores was allowed to DHBVNL, as per order dated 05.03.2024. As per the audited accounts, UHBVNL has incurred a cost of Rs. 37.60 Crore while DHBVNL has incurred Rs. 70.29 Crore on this account.

The Discoms submitted that Sections 61 (d) of the Electricity Act, 2003 stipulates that the appropriate Commission shall specify Tariff Regulations considering various parameters including safeguarding of consumers' interest and at the same time, recovery of the cost of electricity in a reasonable manner. Also, Electricity (Second Amendment) Rules, 2023 dtd. 26/07/2023 formulated by Ministry of Power, Gol, stipulates that the prudent costs incurred by the distribution licensee for creating the assets for development and maintenance of distribution system should be allowed. The relevant extract of the said Rules is as follows:

*“(4) All the prudent costs incurred by the distribution licensee for creating the assets for development and maintenance of distribution system in accordance with sub-section (1) of section 42 of the Act shall be pass through:”*

By disallowing the actual expenses incurred by Petitioner, it has been deprived of prudent cost being passed through in ARR. By continuing such disallowance further will mean putting DISCOM deficit of actual expenses that will further deteriorate the finances and increase dependency on Loans. Interest and Finance Charges is a prudent cost incurred by UHBVN which if not allowed will become financial losses to the already stressed DISCOM.

Therefore, the Nigams prayed that the entire amount of the interest & finance charges of UHBVN may be allowed.

**The Commission observes that the Interest and finance charges actually incurred as per the audited accounts of UHBVNL for FY 2024-25 is slightly higher than the amount approved in Tariff Order dated 05.03.2024, whereas for DHBVN it is quite higher than the amount approved, apparently on account of change in norms or higher working capital borrowings. However, the Commission allows UHBVNL and DHBVNL, the other interest expense/guarantee fee, as proposed, as a one-time measure, which should not be taken as precedence.**

**The Commission also observes that there is a lot of difference in the interest rate and cost of raising loans in case of both the discoms. Nevertheless, the increasing loans and higher**

interest cause financial distress to the discoms. Accordingly, the DISCOMs are directed to study, analyse and re-structure loans to minimize finance costs, ensuring that interest rates do not exceed prescribed norms with minimal guarantee fee, interest and finance charges. Summary of interest and finance charge approved and actual as per the audited accounts of UHBVNL and DHBVNL for the FY 2024-25 is as follows:

**Approved Total Interest & Finance Charges of UHBVNL for FY 2024-25 (Rs Crores)**

| Sr. No. | Category                                                    | Approved in TO dt 05.03.2024 | Actual for FY 2024-25 | Revised approved |
|---------|-------------------------------------------------------------|------------------------------|-----------------------|------------------|
| 1       | Gross Interest on Capex Loans                               | 201.95                       | 287.65                | 287.71           |
| 2       | Less: Interest Capitalized                                  | 43.62                        | 77.59                 | 77.59            |
| 3       | <b>Net Interest on Capex Loans</b>                          | <b>158.33</b>                | <b>210.06</b>         | <b>210.06</b>    |
| 4       | Interest on Working Capital Loans                           | 126.51                       | 387.8                 | 128.73           |
| 5       | HVPNL Bond                                                  | 0                            | 8.09                  | 0.00             |
| 6       | Interest on Consumer Security Deposits                      | 125.18                       | 115.19                | 115.19           |
| 7       | Other Interest and Finance charges including Guarantee Fees | 34.9                         | 37.6                  | 37.60            |
| 8       | <b>Total Interest and Finance Charges</b>                   | <b>444.92</b>                | <b>750.65</b>         | <b>491.64</b>    |

**Approved Total Interest & Finance Cost of DHBVNL for FY 2024-25 (Rs Crore)**

|   | Category                                    | Approved      | Actual        | Revised Approved |
|---|---------------------------------------------|---------------|---------------|------------------|
| 1 | Gross Interest on Capex Loans               |               | 375.3         | 374.93           |
| 2 | Less: Interest Capitalized                  |               | 224.82        | 224.82           |
| 3 | <b>Net Interest on Capex Loans</b>          | <b>154.59</b> | <b>150.48</b> | <b>150.11</b>    |
| 4 | Interest on Working Capital Loans           | 186.95        | 637.45        | 159.67           |
| 5 | Interest on Consumer Security Deposits      | 100.06        | 116.7         | 116.70           |
| 6 | <b>Other Interest &amp; Finance Charges</b> | <b>8.4</b>    | <b>12.49</b>  | <b>12.49</b>     |
| 7 | <b>Guarantee Fee</b>                        | <b>24</b>     | <b>57.8</b>   | <b>57.80</b>     |
|   | <b>Total</b>                                | <b>474.00</b> | <b>974.92</b> | <b>496.77</b>    |

### 3.8 Return on Equity (RoE)

#### UHBVNL:

UHBVNL, in its petition, has stated that Regulation 20 of the MYT Regulations, 2019, provides the approach for calculation of the Return of Equity.

The aforesaid regulation provides that the equity employed on the assets put to use shall be considered for Return on Equity. The equity portion of the allowable additions in the capital cost during the year shall also be considered for estimating the Return on Equity. The return on equity to the ceiling of 14% shall be allowed. The excerpt of the aforesaid regulation is reproduced below.

**“ 20. Return on Equity**

*20.1. RoE for generation transmission and distribution, shall be allowed, after adding a premium over the 'Base Rate (BR)' based on the performance (both financial as well as operational parameters) of the power utilities, subject to a cap as under: -*

...

*c) Distribution Business: BR +7.5% = up to 14%”*

*20.2 Return on equity shall be allowed on equity employed in assets in use considering the following and subject to Regulation 20.1 above:*

*i. Equity employed in accordance with Regulation 19.1 and 19.2 on assets (in use) commissioned prior to the beginning of the year; plus*

*II. 50% of equity capital portion of the allowable capital cost for the assets put to use during the year.*

*Provided that for the purpose of truing up, return on equity shall be allowed from the COD on pro-rata basis based on documentary evidence provided for the assets put to commercial operation during the year.*

*Provided further that assets funded by consumer contributions, capital subsidies/Govt. grants shall not form part of the capital base for the purpose of calculation of Return on Equity*

*20.3 Return on equity invested in work in progress shall be allowed from the actual date of commercial operation of the assets.*

*20.4 There shall be no Return on Equity for the equity component above 30%.”*

The Return on Equity for FY 2024-25 has been estimated by the Nigam-UHBVNL as per the audited accounts and the approved in the Tariff Order dated 05.03.2024 is shown in the table below:

**Proposed UHBVNL Return on Equity for FY 2024-25 (Rs Crores)**

| <b>Sr. No.</b> | <b>Particulars</b>       | <b>Approved</b> | <b>Actual</b> |
|----------------|--------------------------|-----------------|---------------|
| 1              | Opening Equity           | 2578.41         | 2385.91       |
| 2              | Addition                 | 204.70          | 145.96        |
| 3              | Closing Equity           | 2783.11         | 2531.87       |
| 4              | Eligible equity for RoE  | 2680.76         | 2458.89       |
| 5              | Rate of Return on Equity | 12%             | 12%           |
| 6              | <b>Return on Equity</b>  | <b>321.69</b>   | <b>295.07</b> |

UHBVNL has prayed that Return on Equity as proposed may be approved for Truing Up of ARR of FY 2024-25.

**The Commission has considered the submissions of UHBVNL. The closing equity as on 31.3.2024 as part of the ARR Order dated 28.03.2025 shall form the basis of calculation of RoE for the FY 2024-25. As discussed in the preceding paras of this order, equity**

additions have not been considered, except actual addition of Rs. 1.00 crore, as no capex has been funded out of equity during the year. Notional additions to RoE has not been considered due to the fact that there is negative retaining earnings, as per the financial statements. Also, there is unapproved capex, which has been allowed as a one time measure, as mentioned in the preceding paras.

As per Regulation 20 of the HERC MYT Regulation 2019, Return on Equity has been approved as under: -

**Approved Return on Equity of UHBVNL for 2024-25 (Rs Crores)**

| Particulars                                     | Approved vide order dated 05.03.2024 | Proposed      | Revised Approved |
|-------------------------------------------------|--------------------------------------|---------------|------------------|
| <b>Eligible Opening Equity</b>                  | 2578.41                              | 2385.91       | <b>2,385.91</b>  |
| Add: Equity corresponding to capitalized assets | 204.70                               | 145.96        | 1.00             |
| <b>Closing Equity</b>                           | 2783.11                              | 2531.87       | <b>2,386.91</b>  |
| Average Equity for RoE                          | 2680.76                              | 2458.89       | 2,386.41         |
| Rate of RoE                                     | 12%                                  | 12%           | 12%              |
| <b>Total RoE</b>                                | <b>321.69</b>                        | <b>295.07</b> | <b>286.37</b>    |

**DHBVNL:**

The Hon'ble Commission in Tariff Order dated 05.03.2024 has allowed RoE of Rs. 291.89 Crore to DHBVN for FY 2024-25.

DHBVN has considered opening equity balance of FY 2024-25 as Rs. 2,140.26 Crore. DHBVN has considered Rs 64.34 Crore equity as per regulation during the FY 2024-25. As per the Regulation 20 of HERC MYT Regulation 2019, return on equity has been calculated for FY 2024-25. Detailed calculation for Return on Equity for DHBVN in FY 2024-25 is as below:

**Proposed DHBVNL Return on Equity for FY 2024-25 (Rs. Crore)**

| S. No. | Particulars                                                  | FY 2024-25    |
|--------|--------------------------------------------------------------|---------------|
| 1      | Opening Balance of Equity                                    | 2,140.26      |
| 2      | Add: (Equity as per Regulation received from Capitalisation) | 64.34         |
| 3      | Closing Balance of Equity                                    | 2,204.60      |
| 4      | <i>Rate of Return on Equity</i>                              | <i>12.00%</i> |
| 5      | <b>Return on Equity</b>                                      | <b>264.55</b> |



DHBVNL has prayed that in consideration to the operational efficiency achieved in FY 2024-25, Return on Equity as per the prevalent regulations may be allowed to the Petitioner.

**The Commission has approved the closing equity as on 31.3.2024 as part of the ARR Order dated 28.03.2025 and the same shall form the basis of calculation of RoE for the FY 2024-25. The opening balance has been increased by only 1 crore equity contribution as minimal assets out of equity have been added during the year. 1 crore additions to RoE have been taken due to the fact that all the capital expenditure incurred for the year i.e. Rs 1658.36 crore has been exhausted by the additions to the consumer contribution and grants i.e. Rs 587.32 crore and remaining by the additions to the capex loans i.e. Rs 1070.05 crore. The rate of return is the same as approved by the Commission as per the Order dated 05.03.2024, the same cannot be varied at the stage of ‘truing up’ exercise.**

**As per the Regulation 20 of the HERC MYT Regulation 2019, Return on Equity has been approved as under: -**

**Approved Return on Equity for FY 2024-25 for DHBVNL (Rs Crore)**

| Particulars                                  | Proposed      | Approved      |
|----------------------------------------------|---------------|---------------|
| Opening Equity for Return on Equity          | 2140.26       | 2140.26       |
| Add: Equity received for Capitalization      | 64.34         | 1.00          |
| Closing Equity                               | 2,204.60      | 2,141.26      |
| Average Equity eligible for Return on Equity | 2,172.43      | 2,140.76      |
| <b>Rate of Return on Equity</b>              | 12%           | 12%           |
| <b>Return on Equity</b>                      | <b>264.55</b> | <b>256.89</b> |

### 3.9 Expenditure due to other debits

#### **UHBVNL:**

UHBVNL, in its petition, stated that Regulation 17 of the MYT Regulations, 2019, provide the provisions for other debits. The relevant excerpt of the aforesaid regulations is reproduced below:

***“17. COMPONENTS OF TARIFF FOR DISTRIBUTION AND RETAIL SUPPLY BUSINESS***

*17.2 The ARRs of the distribution licensee for retail supply business and wheeling business will comprise the following elements:*

**ARR for Retail supply business**

**A – Expenses**

...

*k) any other expenses not mentioned above.”*

The other debits for FY 2024-25 as per the audited accounts are as below:

**UHBVNL proposed Other Debits for FY 2024-25 (Rs Crores)**

| Sr. No. | Particulars                               | Approved | Actual       |
|---------|-------------------------------------------|----------|--------------|
| 1       | Compensation for injury, death and damage |          | 8.21         |
| 2       | Miscellaneous losses and write off.       |          | 11.26        |
| 3       | Provision against other receivables       |          | 6.81         |
| 4       | <b>Other Debits</b>                       | -        | <b>26.27</b> |

The Nigam prayed that other debits as proposed above may be approved for Truing Up of ARR of FY 2024-25.

**UHBVNL has submitted additional information pertaining to the Expenditure due to Other Debits as below:**

This is to submit that the details of Provision against other receivables of Rs. 6.81 Cr. is as follows. The same is shown in Note 31 of the Accounts

| Particulars                                    | Amount (Rs Crores) |
|------------------------------------------------|--------------------|
| Recoverable from employee                      | <b>0.13</b>        |
| Amount recoverable for want of proper sanction | 2.43               |
| Provision for Impairment Loss                  | 3.92               |
| Theft of property pending investigation        | 0.33               |
|                                                | 6.81               |

Further, Rs. 11.26 Cr. pertains to Miscellaneous losses and actual write off which amounts to Rs. 4.64 Cr. and Loss on sale of scrap amounting to Rs. 6.62 Cr.

This is to submit that the above expenses have been claimed as per the Regulatory provisions stipulated in HERC MYT Regulations 2019 and earlier Tariff Petitions.

**The Commission has examined the submissions of UHBVNL and is of the considered view that apart from the Compensation for injury, death and damage, expense items such as Miscellaneous losses and write off and Provision against other receivables are not eligible to be included in the ARR for true up; as the same are losses and provisions. The Commission observes that compensations for injury, death and damages is allowed in order to enable the licensee to pay these amounts promptly. Other debits, being in**

the nature of write off are not allowed in the absence of any provisions in the MYT regulations in this regard.

The Commission is of the stern view emphasizing that passing on losses and provisions due to theft and mismanagement is unreasonable, thereby burdening consumers by passing on operational inefficiencies.

In light of the above discussion, the Commission approves Rs. 8.21 Crores as true up of other debits for UHBVNL for the FY 2024-25 as tabulated below:

**Approved- Other debits of UHBVNL for FY 2024-25 (Rs. Crore)**

| Sr. No. | Particulars                               | Actual       | Approved    |
|---------|-------------------------------------------|--------------|-------------|
| 1       | Compensation for injury, death and damage | 8.21         | 8.21        |
| 2       | Miscellaneous losses and write off.       | 11.26        | 0           |
| 3       | Provision against other receivables       | 6.81         | 0           |
| 4       | <b>Other Debits</b>                       | <b>26.27</b> | <b>8.21</b> |

**DHBVNL:**

As per the audited accounts, Rs. 30.17 Crore has been incurred by DHBVN as Other Debits during FY 2024-25. The major portion of Rs. 30.17 Crore consists of expenditure on account of compensation, miscellaneous losses etc. which are normal in the business of power distribution. The Nigam has requested to allow other debits in terms of applicable HERC MYT Regulations, 2019.

The Commission has examined the above “other debits” claimed by DHBVNL and observes that though Compensation for injuries, death & Damage may form part of allowable true up, no provisions or miscellaneous losses/ write off can be allowed to be passed on to the consumers. Further, compensations for injury, death and damages is allowed in order to enable the licensee to pay these amounts promptly. Other debits, being in the nature of write off are not allowed in the absence of any provisions in the MYT regulations in this regard. Also, the Commissions observes that the principles for allowing the “other debits” has already been discussed in detail in the preceding paras, while calculating the allowed “other debits” for UHBVNL. Therefore, the proposed amount of other expenses of DHBVNL are disallowed, as per below details:

**Approved- Other debits of DHBVNL for FY 2024-25 (in Rs. Crore)**

| As per audited- details provided                | Proposed | Allowed |
|-------------------------------------------------|----------|---------|
| Refund of Revenue other than A.P.               | 0.01     | 0.00    |
| Compensation for injuries, death & Damage-staff | 1.41     | 1.41    |

| As per audited- details provided                    | Proposed     | Allowed     |
|-----------------------------------------------------|--------------|-------------|
| Compensation for injuries, death & Damage-Outsiders | 5.73         | 5.73        |
| Misc. Compensations.                                | 1.27         | 0.00        |
| Loss on sale of fixed Assets                        | 18.83        | 0.00        |
| Sundry debit balances written-off.                  | 0.76         | 0.00        |
| Loss on sale of scrap.                              | 2.17         | 0.00        |
| <b>Total</b>                                        | <b>30.17</b> | <b>7.14</b> |

### 3.10 Non-tariff Income

#### UHBVNL

Nigam in its petition submitted that the Regulation 67 of the MYT Regulations stipulates the provision for the estimation of the Non-Tariff Income.

*“67. NON-TARIFF INCOME*

*67.1 All incomes being incidental to electricity business and derived by the licensee from sources, including but not limited to profit derived from disposal of assets, rents, meter rent, income from investments other than contingency reserves, miscellaneous receipts from the consumers, etc shall constitute non-tariff income of the licensee;*

*67.2 The amount received by the distribution licensee on account of non-tariff income shall be deducted from the aggregate revenue requirement in calculating the net revenue requirement.”*

The Non-Tariff Income for FY 2024-25 as per the audited accounts and approved in the Tariff Order dated 05.03.2024 are summarized in table below:

#### Proposed UHBVNL Non-Tariff Income for FY 2024-25 (Rs Crores)

| Sr. No. | Particulars                                          | Approved | Actual |
|---------|------------------------------------------------------|----------|--------|
| A       | Interest income                                      | 278.43   | 10.55  |
| 1       | Interest on staff loans and advances                 |          | 2.27   |
| 2       | Interest on Fixed Deposits with Banks                |          | 7.46   |
| 3       | Income from Contingency Reserve Investments          |          | -      |
| 4       | Interest on Income tax refund                        |          | 0.82   |
| 5       | Interest on payment made on behalf of DHBVN          |          | -      |
| B       | Other Non-operating income                           |          |        |
| 6       | Other income                                         |          | 84.72  |
| 7       | Early Payment Rebate from suppliers /Contractors     |          | 12.69  |
| 8       | Excess/short found on Physical Verification of Stock |          | 0.18   |
| 9       | Income from Penalty and Fines                        |          | 35.74  |
| 10      | Delayed Payment Surcharge                            |          | 401.50 |
| 11      | Rebate on Power Purchase payments                    |          | 128.18 |

| Sr. No. | Particulars                                            | Approved      | Actual        |
|---------|--------------------------------------------------------|---------------|---------------|
| 12      | Sundry credit balances written back                    |               | 5.74          |
| 13      | Meter Rent /Service Rental                             |               | -             |
| 14      | Recovery for Theft of Power /Malpractices              |               | 23.81         |
| 15      | Misc. Charges from Consumers                           |               | 14.21         |
| 16      | Revenue from Open Access Consumers                     |               | 8.71          |
|         | Total                                                  |               | 726.03        |
| 17      | Less: Delayed Payment Surcharge                        |               | 401.50        |
| 18      | Less: Rebate on Power Purchase Payments                |               | 128.18        |
| 19      | Less: Early Payment Rebate from suppliers /Contractors |               | 12.69         |
|         | <b>Total</b>                                           | <b>278.43</b> | <b>183.66</b> |

The NTI predominantly comprises genuine business-related items such as interest income, miscellaneous recoveries from consumers, penalties and fines, sundry balances written back all of which arise directly from the core distribution business. Based on the aforementioned Regulatory provisions, the above income heads have been included while computing NTI for FY 2024-25.

In line with regulatory principles and to ensure transparency, certain items including delayed payment surcharges, rebates on power purchase and early payment rebates from suppliers, have been excluded.

UHBVNL submitted that the Non-Tariff Income as proposed may be allowed in the True up of ARR for FY 2024-25.

The Commission has examined the financial statements submitted by UHBVNL. The breakup of non-tariff income comprising of interest income, non-operating income and part of revenue from operations, as per audited accounts, is as under:

| Breakup of non-tariff income |                                                | (Amount in Crore) |
|------------------------------|------------------------------------------------|-------------------|
| Sr. No.                      | Particulars                                    | Amount            |
| 1.                           | <b>Interest income:</b>                        |                   |
| 2.                           | Interest on staff loans and advances/Supplier  | 2.27              |
| 3.                           | Interest on Bank Deposits                      | 7.46              |
| 4.                           | Interest on Income Tax Refund                  | 0.82              |
|                              | <b>Non-operating income:</b>                   |                   |
| 6.                           | Other income                                   | 84.72             |
| 7.                           | Early Payment Rebate from suppliers            | 12.69             |
| 8.                           | Excess found on Physical Verification of Stock | 0.18              |
| 9.                           | Income from Penalty                            | 35.74             |
| 10                           | Delayed Payment Surcharge from consumers       | 401.50            |

| Sr. No. | Particulars                                                         | Amount        |
|---------|---------------------------------------------------------------------|---------------|
| 11.     | Depreciation on assets created from consumer contribution and grant | 95.70         |
| 12.     | Rebate on Power Purchase Payments                                   | 128.18        |
| 13.     | Sundry credit balances written back                                 | 5.74          |
| 14.     | Recovery for theft of Power /Malpractices                           | 23.81         |
| 15.     | General/Misc. Charges from Consumers                                | 14.21         |
| 16.     | Revenue from Open Access Consumers                                  | 8.71          |
|         | <b>Total</b>                                                        | <b>821.73</b> |

Rebate received on timely payment of energy charges is not considered by the Commission as a part of non-tariff income for FY 2024-25. It is submitted that interest cost on working capital loan is allowed on normative basis, whereas additional short-term borrowing is to be arranged by UHBVN to avail the rebate on timely payment of energy charges and to suppliers/contractors. Therefore, to meet the interest liability of additional working capital requirements, rebate on timely payment of energy charges and timely payment to suppliers/contractors is being used by UHBVN to balance the actual working capital cost implication on the Discoms.

**Approved Non-Tariff Income of UHBVNL for FY 2024-25 (Rs. Crore)**

| S. No. | Particulars                                                         | Actual        |
|--------|---------------------------------------------------------------------|---------------|
| 1      | Non-Tariff Income                                                   | 821.73        |
|        | Less                                                                |               |
| 2      | Early Payment Rebate from suppliers                                 | 12.69         |
| 3      | Delayed Payment Surcharge from consumers                            | 401.50        |
| 4      | Depreciation on assets created from consumer contribution and grant | 95.70         |
| 5      | Rebate on Power Purchase Payments                                   | 128.18        |
|        | <b>Net Non-Tariff Income</b>                                        | <b>183.66</b> |

**In light of the above, the Commission approves the true up of Non-tariff Income at Rs. 183.66 crores.**

**DHBVNL**

Actual Non-Tariff income of DHBVN for FY 2024-25 is Rs. 306.82 Crore against Rs. 308.61 Crore approved by the Hon'ble Commission in Tariff Order dated 05.03.2024.

DHBVN has not considered the delayed payment surcharge & timely payment of energy charges and Supplier/ Contractor as part of Non-Tariff income for FY 2024-25. DHBVNL submitted that income on account of delayed payment surcharges Rs. 573.35 Crore is to be adjusted towards the working capital which has been borne by the Distribution Licensee due to non-payment of energy bill in timely manner by the consumer. Therefore, the same was deducted from Non-Tariff Income of DHBVN for FY 2024-25.

DHBVNL has provided additional details as under:

Further, the non-inclusion delayed payment surcharge from consumers (Rs. 573.35 crore) and Discount on timely payment of energy charges (Rs. 156.27 crore) in the true-up for FY 2024-25 is in accordance with Regulation 69.2 of the HERC (Multi Year Tariff) Regulations, 2019. The same is also in accordance with the treatment done in earlier True-Up Orders by the Hon'ble Commission.

The detailed breakup of non-tariff income is provided below:

| <b>Breakup of non-tariff income</b>                     | <b>(Amount in Crore)</b>       |
|---------------------------------------------------------|--------------------------------|
| <b>Particulars</b>                                      | <b>FY 2024-25 (in Rs. Cr.)</b> |
| Interest on Staff Loans and advances                    | 3.60                           |
| Interest on Fixed Deposits with Banks                   | 5.27                           |
| Interest Income on Provident Fund                       | 28.59                          |
| Rent from Residential Building                          | 0.77                           |
| <i>Delayed Payment Surcharge</i>                        | 573.35                         |
| Meter Service Rental                                    | 0.84                           |
| Miscellaneous charges from consumers                    | 30.80                          |
| Recovery of theft of power                              | 33.08                          |
| Misc. Receipts (except 62.901&62.908)                   | 360.14                         |
| <b>TOTAL</b>                                            | <b>1,036.43</b>                |
| Less: Delayed Payment Surcharge from Consumer           | 573.35                         |
| Less: Discount on timely payment of Energy Charges      | 156.27                         |
| Less: Discount on timely payment of Supplier/Contractor |                                |
| <b>Net Non-Tariff Income</b>                            | <b>306.82</b>                  |

In light of the reasoning given in preceding paras while examining UHBVNL's non-tariff income, the Commission approves the true up of Non-tariff Income at Rs. 306.82 crores as proposed by DHBVNL.

Further, as discussed in the preceding para of this order, interest income amounting to Rs. 1467.47 crore comprising of delayed payment surcharge from customers amounting to Rs. 974.85 crore (UHBVNL Rs. 401.50 crore, DHBVNL 573.35 crore), early payment rebate from generators amounting to Rs. 479.93 crore (UHBVNL Rs. 128.18 crore, DHBVNL 351.75 crore) and early payment rebate from suppliers amounting to Rs. 12.69 crore (UHBVNL), is not considered as part of non-tariff income for the FY 2024-25. Interest cost on working capital loan is allowed on normative basis, whereas additional short-term borrowing may have to be arranged by UHBVN to avail the rebate on timely payment of energy charges and to suppliers/contractors.

### 3.11 True-up of Power Purchase Quantum & Cost

The Petitioners i.e. UHBVNL and DHBVNL submitted that Power Purchase for Haryana DISCOMs is being managed by Haryana Power Purchase Centre (HPPC), which is an administrative body established purposely for procuring power purchase to meet day to day energy requirement of the Haryana DISCOMs. HPPC is operated by the representatives of both DISCOMs and manages power procurement from long term, short term and other alternatives for Haryana DISCOMs.

Power is largely procured from the long-term tied up generating sources approved by the Hon'ble Commission. To optimize the power purchase cost principle of Merit Order Dispatch (MOD) is being complied to meet the day to day energy requirement.

The surplus power available during the Off- Peak Season due to reduction of energy demand is banked with the neighboring states and utilized during the peak season to avoid the power deficit scenario in paddy season. The same is debited/credited in the accounts based on the Average Power Purchase Cost (APPC) rate. Besides, the surplus power generated during sudden drop in demand, obligation to Must Run purpose and compliance to Minimum Technical Permission, etc. is traded off logically in power exchange at average variable cost to optimize the overall power purchase cost.

The discoms further submitted that Power Purchase Cost for FY 2024-25 of Rs 41,421.57 crore is inclusive of Transmission and SLDC charges. Accordingly, the summary of power purchase cost including of transmission and SLDC charges actual vis-à-vis approved for FY 2024-25 at Haryana level is shown in the table below:

**Proposed Power Purchase Cost for Haryana FY 2024-25**

| Particulars    | Approved on 05.03.2024 |           | Actual    |           |
|----------------|------------------------|-----------|-----------|-----------|
|                | Units                  | Cost      | Units     | Cost      |
| Power Purchase | 73,115.98              | 36,365.85 | 76,481.74 | 41,421.57 |

As above, the actual Power Purchase for FY 2024-25 is Rs. 41,421.57 Cr. for Haryana out of which Rs. 17,081.42 Cr. is for UHBVNL and 24,340.15 for DHBVNL.

Further, Actual average power purchase cost (excluding transmission charges) works out Rs. 4.84 per unit against the approved average power purchase cost Rs. 4.60 per unit allowed for FY 2024-25 in Tariff Order dated 05.03.2024.



| Particulars                                                           | Approved  | Actual    |
|-----------------------------------------------------------------------|-----------|-----------|
| Power Purchase Quantum (MUs)                                          | 73,115.98 | 76,481.90 |
| Power Purchase Cost (Rs. Crore)                                       | 33,613.28 | 36,939.19 |
| Average Power Purchase Cost excluding Transmission Charges (Rs/kWh)   | 4.60      | 4.84      |
| PGCIL charges (Rs. Crore)                                             | 2,339.79  | 2,490.11  |
| HVPNL Charges (Rs. Crore)                                             | 2,019.64  | 1,992.27  |
| Prior Period Expenses                                                 | -         | 1,783.45  |
| Total Power Purchase Cost (Rs. Crore)                                 | 37,972.71 | 43,205.03 |
| Average Power Purchase Cost excluding Prior Period Expenses (Rs./kWh) | 5.19      | 5.42      |
| Average Power Purchase Cost including Prior Period Expenses(Rs./kWh)  | 5.19      | 5.65      |

The increase in power purchase cost than the approved amount is primarily due to the revision of the tariff of the approved generating sources for FY 2024-25. As per the relevant provisions contained in 8.3.8 (b) of HERC MYT Regulations 2019, the Power Purchase Price (other than for short-term power purchase and UI) is an uncontrollable factor.

Therefore, the petitioner(s) prayed that the actual power purchase cost for FY 2024-25 may be approved.

The Commission examined the power purchase cost claimed by the discoms and observes that the difference in power purchase cost could arise on account of variation in actual source wise generation or rate of power vis-à-vis those allowed by the Commission on a projected basis. Any deferral in allowing power purchase cost to the Distribution Licensee on account of additional power purchase expenditure, results in accrual of additional burden in form of interest cost (carrying cost), which as the Distribution Licensee will have to ultimately resort to funding through short-term loans. Such a measure is not in the interest of the consumers as there is an additional burden in terms of higher tariff on the consumers. Therefore, timely and regular pass through of variations in power purchase cost is not only imperative for optimum financial management of the Distribution Licensee but is also imperative from the consumers' standpoint as the cost and price of delivered power ought to remain aligned.

As per the Haryana Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) 3rd Amendment Regulations, 2023, the

Discoms are allowed to automatically recover FPPA, without going through the regulatory process, in order to ensure financial viability of the licensees. Regulation 66 of the HERC MYT Regulations, 2019, provides the approach for assessment of the Fuel Power Purchase Adjustment Surcharge (FPPAS). The aforesaid regulation was amended vide notification dated 12.04.2023 and accordingly the FPPAS have been estimated for FY 2024-25.

The actual cost for the year can only be determined after the audited accounts are available. In view of the aforesaid constraints, the actual power procurement cost is to be trued up based on the normative distribution losses approved by the Commission in the ARR / Tariff Order for the relevant year. Transmission losses are allowed as per actual since the Discoms have no control over the transmission losses. Further, in light of the fact that AP sales in the state are unmetered and even the metered supply due to large number of dead / defective meters are not accurate, the Commission is constrained to arrive at an estimate of AP sales based on the energy recorded at the 11 kV AP segregated feeders. Based on the approved AP sales and the distribution loss level approved by the Commission in its Order dated 05.03.2024, the excess units purchased by the Discoms is arrived at.

The Commission sought additional information regarding the power purchase cost and the same as provided by discoms is reproduced as under:

- a. Details of Short-term power purchased from power exchanges, in the FY 2024-25 and FY 2025-26 till date (in MUS and in Rs.) as well as minimum rate, maximum rate and average rate at which such power was procured was provided by the discoms.

| 2024-25          |                 |               | 2025-26 (upto Nov-25) |                 |               |
|------------------|-----------------|---------------|-----------------------|-----------------|---------------|
| Quantum (in MUS) | Amount (in Rs.) | Rate per unit | Quantum (in MUS)      | Amount (in Rs.) | Rate per unit |
| 1050.71          | 596.21          | 5.67          | 545.38                | 226.06          | 4.15          |

Further, the minimum rate, maximum rate and average rate at which such power was procured is as under:

| Year                  | Minimum | Maximum | Average Landed Cost |
|-----------------------|---------|---------|---------------------|
| 2024-25               | 0.35    | 10.00   | 5.86                |
| 2025-26 (Upto Dec 25) | 0.70    | 10.00   | 4.10                |

- b. Details of Short-term power purchased under bidding, in the FY 2024-25 and FY 2025-26 till date (in MUS and in Rs.) as well as minimum rate, maximum rate and average rate at which such power was procured, was provided by the discoms.

| 2024-25          |                     |               | 2025-26 (upto Nov-25) |                 |               |
|------------------|---------------------|---------------|-----------------------|-----------------|---------------|
| Quantum (in Mus) | Amount (in Rs. Cr.) | Rate per unit | Quantum (in Mus)      | Amount (in Rs.) | Rate per unit |
| 6965.46          | 4,554.71            | 6.54          | 4872.36               | 2,982.28        | 6.12          |

Further, the minimum rate, maximum rate and average rate at which such power was procured is as under:

| Year                  | Minimum | Maximum | Average |
|-----------------------|---------|---------|---------|
| 2024-25 (NIT-108,110) | 6.20    | 9.09    | 6.79    |
| 2024-25 (NIT-115)     | 6.30    | 8.22    | 7.32    |
| 2025-26 (Upto Dec 25) | 5.99    | 7.50    | 5.87    |

- c. Details of Medium-term power purchased under bidding, in the FY 2024-25 and FY 2025-26 till date (in MUs and in Rs.) as well as minimum rate, maximum rate and average rate at which such power was procured, was provided by the discoms.

| 2024-25          |                    |               | 2025-26 (upto Nov-25) |                    |               |
|------------------|--------------------|---------------|-----------------------|--------------------|---------------|
| Quantum (in Mus) | Amount (in Rs.Cr.) | Rate per unit | Quantum (in Mus)      | Amount (in Rs.Cr.) | Rate per unit |
| 7488.42          | 4,609.71           | 6.16          | 6861.60               | 3,828.94           | 5.58          |

- d. Energy sold in power exchanges during FY 2024-25 and FY 2025-26 till date (in MUs and in Rs.) as well as minimum rate, maximum rate and average rate at which such power was sold, was provided by the discoms.

| 2024-25          |                    |               | 2025-26 (upto Nov-25) |                    |               |
|------------------|--------------------|---------------|-----------------------|--------------------|---------------|
| Quantum (in Mus) | Amount (in Rs. Cr) | Rate per unit | Quantum (in Mus)      | Amount (in Rs.Cr.) | Rate per unit |
| 4721.91279       | 2,248.17           | 4.76          | 3578.107743           | 1,357.04           | 3.79          |

Further, the minimum rate, maximum rate and average rate at which such power was procured is as under:

| Year                  | Minimum | Maximum | Average Landed Cost |
|-----------------------|---------|---------|---------------------|
| 2024-25               | 0.73    | 10.00   | 4.76                |
| 2025-26 (Upto Dec 25) | 0.02    | 10.00   | 3.97                |

- e. Details of Energy sold in power exchanges during FY 2024-25 and FY 2025-26 till date (in MUs and in Rs.), during the period for which medium term and short-term power was got approved from the Commission was also provided.
- f. Details of backing down of power tied up under Long term and Medium term PPA was also provided.
- g. Total power purchase quantum of discoms during the FY 2024-25 was 76481.74 MUs. The energy balance details of the same, showing the quantum sold out was also provided.

| Particulars                                  | Units       | FY 2024-25       |
|----------------------------------------------|-------------|------------------|
| Total Power purchase                         | Mus         | 76,481.74        |
| Sale outside the State including Banking &UI | Mus         | 6,562.16         |
| Purchase for sale within the state (1-2)     | Mus         | 69,919.74        |
| Less Transmission losses                     | Mus         | 2,257.25         |
| Transmission Losses                          | %age        | 3.23%            |
| Power available for sale                     | Mus         | 67,662.49        |
| <b>Total Sales</b>                           | <b>Mus</b>  | <b>60,978.54</b> |
| <b>Distribution Loss</b>                     | <b>%age</b> | <b>9.88%</b>     |
| <b>Distribution Loss</b>                     | <b>MUs</b>  | <b>6,683.95</b>  |

Discoms further submitted that Energy Balance has been submitted in the True-Up Petition for FY 2024-25.

- h. Details of open access charges of Rs. 247.31 crore paid during the FY 2024-25 along with justification for the same, was also provided.

Further, it is intimated that Open Access charges was reimbursed to the Medium-term power purchase & Short-term power purchase firms due to following reasons:

- Medium term: The amount paid towards open access charges resulted from congestion in the transmission corridor during peak season. This congestion occurred because the availability of General Network Access (GNA) was insufficient to meet the high electricity demand of the peak/ summer season.
  - Short term: The amount paid towards open access charges to short term firms on account of power scheduled under TGNA.
- i. Details of prior period cost – UHBVNL Rs 719.67 crore and DHBVNL Rs. 1063.78 crore (Total: Rs. 1783.45 crore), included in the power purchase cost for the FY 2024-25, along with the proper reason & justification for the same (Note 20 of audited accounts)

The main reasons of the same was revision of Annual Fixed Cost, Variable cost and Change in Law etc. as per the orders of CERC and HERC.

The detailing project wise payment details of prior period costs considered during FY 2024-25 is as under:

| Projects                | Amt in Crores | Reasons                                                                                         |
|-------------------------|---------------|-------------------------------------------------------------------------------------------------|
| NTPC                    | -6.70         | AFC Revision 2014-19 & 2019-24 as per CERC order                                                |
| NHPC                    | 33.13         | AFC Revision 2014-19 & 2019-24, FERV, Deferred Tax, Shortfall, Effective Tax, RLDC charges      |
| SJVNL                   | 0.00          | FERV bill, revision of REA                                                                      |
| THDC                    | 2.99          | Water charges, FERV, Revision of REA & Non-tariff income, True up as per CERC order dt 08.11.24 |
| RAPS                    | 5.09          | Revision of Water charges, REA & RLDC, ROE due to tax rate change                               |
| NAPS                    | 1.60          | Revision of Water charges, REA & RLDC, ROE due to tax rate change                               |
| BBMB                    | -1.45         | Depreciation                                                                                    |
| APCPL                   | -19.47        | Revision of tariff, compensation, RLDC & Fixed cost                                             |
| JPL                     | 383.71        | FGD 2018-24, CERC order 18.11.24 on account of land compensation                                |
| PRAGATI                 | -0.12         | Revision of REA/ Open Cycle, Gail credit                                                        |
| CGPL                    | 15.50         | Payment made as per CERC Order                                                                  |
| ADANI                   | 599.02        | Taxes & duties on Imported coal from June-23 to March-24                                        |
| SASAN                   | 0.12          | Carrying cost FTF for FY 2023-24                                                                |
| GMR KAMALANGA           | -0.05         | True up ERLDC                                                                                   |
| KARCHAM                 | 18.33         | Sharing of gain & short fall for fy 2023-24                                                     |
| LANCO                   | 8.11          | Revision of Fly Ash & SOC MOC charges                                                           |
| DVC                     | 13.18         | Tariff revision, FGD & Loan refinancing period 2014-19 & 2019-24                                |
| NEEPCO                  | -0.44         | Bill of March-24, Revision of FERV & true up NERLDC                                             |
| GATI HYDRO              | 0.30          | Revision of FERV& True up ERLDC                                                                 |
| DANS                    | -0.02         | Interest on LTA                                                                                 |
| SHIGHA                  | 0.00          | Difference of Energy bill Feb-24                                                                |
| IA HYDRO                | 0.08          | SEA Bill of March-24                                                                            |
| HPGCL                   | 118.30        | Coal Compensation to MCL, CCL & WCL                                                             |
| LPS                     | 64.64         | Carrying cost on revision of FGD from 2018-24 in respect of JPL                                 |
| Karnal Co. Sugar Mill   | 13.42         | Tariff Revision                                                                                 |
| Panipat Co. Sugar Mill  | 16.31         | Tariff Revision                                                                                 |
| Haryana Co. Sugar Mill. | 0.51          | Tariff Revision                                                                                 |
| Greenyana Solar         | -0.29         | shortfall for FY 2023-24                                                                        |
| Amplus                  | -0.10         | shortfall for FY 2023-24                                                                        |
| SECI SOLAR              | 0.06          | SLDC Charges & Incentive                                                                        |
| SECI WIND               | -0.08         | Difference of tariff                                                                            |
| SECI HYBRID             | 0.00          | Difference of tariff                                                                            |
| PTC/Exchange            | -0.08         | Difference of tariff                                                                            |

| Projects                 | Amt in Crores  | Reasons                                                                    |
|--------------------------|----------------|----------------------------------------------------------------------------|
| PTC MB Power             | 168.70         | Change in law (alternate coal)                                             |
| Meja (NTPC)              | 0.63           | Revision of RLDC & revision of tariff                                      |
| PGCIL-UI-P               | 126.60         | Pool account deficit recovered as per CERC order dated 15.10.24 & 08.01.25 |
| CTUIL-TC                 | 219.41         | Revision of RTA, bilateral transmission charges                            |
| PGCIL-TC                 | 2.40           | deferred tax                                                               |
| HVPN Incentive-DH        | 0.06           | bill of March-24                                                           |
| HVPN Incentive-UH        | 0.05           | bill of March-24                                                           |
| <b>Total Expenditure</b> | <b>1783.45</b> |                                                                            |

- j. Actual Power purchase Cost excel sheet with quantum and sources along with fixed and variable cost, also stating inter and intra generation, for FY 2024-25, FY 2025-26 and projected for FY 2026-27.

MIS Sheet consisting actual Power purchase Cost (fixed and variable cost), quantum (Schedule energy), sources and stating inter and intra generation, for the period 2024-25 & 2025-26 (upto Nov-25) and Projection for FY 2026-27 was also provided.

The discoms also submitted the details of banking arrangement- Energy banked, energy taken back as on 31.12.2025 as under:

| Energy Banked but Outstanding for Taking Back as on 31.12.2025 |                                                 |                                                           |                                                              |                                                        |                                                 |
|----------------------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------|
| Utility                                                        | Total Banked Quantum (in MU) received in May 24 | Total banked quantum (MU) returned by HPPC during feb -25 | Total banked quantum (MU) by HPPC during Dec. 24 to April 25 | Total Banked Quantum (in MU) received as on 31.10.2025 | Total banked quantum (MU) by HPPC during Dec 25 |
| Meghalaya power Distribution Corp. Ltd.                        | 16.8                                            | 17.64                                                     |                                                              |                                                        |                                                 |
| Uttarakhand Power Corp. Ltd                                    |                                                 |                                                           | 616.8125                                                     | 641.52                                                 |                                                 |
| Meghalaya power Distribution Corp. Ltd.                        |                                                 |                                                           | 148.8                                                        | 156.24                                                 |                                                 |
| Andhra Power Distribution Corp. Ltd.                           |                                                 |                                                           | 381.6                                                        | 400.68                                                 |                                                 |
| Meghalaya power Distribution Corp. Ltd.                        |                                                 |                                                           |                                                              |                                                        | 37.2                                            |

The Commission examined the above data and observes that prior period expenses are legitimate charges mainly arising from statutory orders. Hence, the same are being allowed as proposed. Further, the Commission observes that banking is an arrangement wherein two States trade power to match the seasonal variations in surplus and deficit situations.

Also, sharing of Gain in Power Purchase Cost, as proposed by the UHBVNL is not allowed due to increase in power purchase cost, average APPC and non-recovery of FPPAS on timely basis in contravention of the regulations.

Based on the data provided by the Discoms and taking into consideration the audited accounts, the details of True-up of power purchase cost of the Discoms for the FY 2024-25 is as per the table below:

**Approved True-up of Power Purchase Cost (FY 2024-25)**

| Particulars                                                                                       | Unit      | UHBVNL    | DHBVNL    | Total         |
|---------------------------------------------------------------------------------------------------|-----------|-----------|-----------|---------------|
| Sales as per audited accounts                                                                     | MU        | 25,199.54 | 35,778.27 | 60,977.81     |
| Less AP sales included in above                                                                   | MU        | 4,032.34  | 6,506.60  | 10,538.94     |
| Sales as per audited accounts (net of AP sales)                                                   | MU        | 21,167.20 | 29,271.66 | 50,438.86     |
| Add AP sales as per HERC methodology                                                              | MU        | 4,032.34  | 5,560.57  | 9,592.91      |
| Approved/Audited sales adjusted for AP                                                            | MU        | 25,199.54 | 34,832.23 | 60,031.77     |
| Approved Distribution losses                                                                      | MU        | 10.00%    | 10.00%    |               |
| Sales grossed up for Distribution losses                                                          | MU        | 27,999.49 | 38,702.48 | 66,701.97     |
| Actual Interstate sales and banking                                                               | MU        | 2621.03   | 3,941.13  | 6,562.16      |
| Total power sold including inter-state sale and banking                                           | MU        | 30,620.52 | 42,643.61 | 73,264.13     |
| Intra state transmission losses                                                                   |           | 2.05%     | 2.05%     |               |
| Sales grossed up for Intrastate transmission losses                                               | MU        | 31261.38  | 43536.10  | 74,797.47     |
| Intra state transmission losses                                                                   | MU        | 640.86    | 892.49    | 1533.35       |
| Intrastate & Interstate transmission losses as per audited accounts                               | MU        | 926.09    | 1331.164  | 2257.254      |
| Interstate transmission loss                                                                      | MU        | 285.23    | 438.67    | 723.91        |
|                                                                                                   |           | 3.62%     | 3.62%     |               |
| Approved power purchase volume (Sales grossed up for Intrastate & Interstate transmission losses) | MU        | 31,546.61 | 43,974.77 | 75,521.38     |
| Actual Power Purchase Volume                                                                      | MU        | 31,338.67 | 45,143.23 | 76,481.90     |
| Disallowed Units                                                                                  | MU        | -207.94   | 1,168.46  | <b>960.52</b> |
| Net Disallowed Units                                                                              | MU        | 0.00      | 960.52    | 0.00          |
| Cost of disallowed units at actual variable cost                                                  | Rs. Crore | 0.00      | 333.46    | 333.46        |
| Two third to be borne by the Discoms                                                              | Rs. Crore | 0.00      | 222.31    | 222.31        |
| One third to be borne by the consumers                                                            |           | 0.00      | 111.15    | 111.15        |

| Particulars                                                                       | Unit      | UHBVNL          | DHBVNL          | Total           |
|-----------------------------------------------------------------------------------|-----------|-----------------|-----------------|-----------------|
| Actual cost incurred by DISCOMs during the FY 2024-25 (incl transmission charges) | Rs. Crore | 17081.42        | 24340.15        | 41,421.57       |
| Less two third cost of losses to be borne by the Discom                           | Rs. Crore | 0.00            | 222.31          | 222.31          |
| Net power purchase cost                                                           | Rs. Crore | 17081.42        | 24117.84        | 41,199.27       |
| <b>True up of Power purchase cost</b>                                             | Rs. Crore | <b>17081.42</b> | <b>24117.84</b> | <b>41199.27</b> |

The Commission, in light of the above calculations, approves the power purchase cost of UHBVNL at Rs. 17081.42 Crores and that of DHBVNL at Rs. 24117.84 Crores for the FY 2024-25. The Commission, while approving the true up of power purchase cost, has considered appropriate to true up the power purchase cost on the basis of the total power purchased by HPPC and thereby disallowed the excess units for DHBVNL, as the same got set off by the combined units purchased by both the discoms. It is pertinent to note that the Commission has allowed the power purchase units considering the distribution loss i.e. 10% as against the actual distribution loss of UHBVNL and DHBVNL at 9.33% and 10.26%, respectively. Therefore, the efficiency gain of UHBVNL is adequately factored-in.

Further, it is observed that power purchase cost, including transmission charges, constitutes approximately 85% of the Aggregate Revenue Requirement (ARR) of the DISCOMs. Further, the Haryana Power Purchase Centre (HPPC), constituted under the orders of the Government of Haryana vide notification dated 11.04.2008 to operate under the single-buyer model for arranging power on behalf of the distribution licensees, is not being professionally managed, resulting in sub-optimal power procurement outcomes. It is also observed that substantial payments are being made to generating stations and booked as prior-period expenses, primarily on account of inaction or delayed action by HPPC, which has an adverse impact on tariff outcomes and ultimately imposes an avoidable burden on electricity consumers.

The Commission observes that in the past HPPC has proposed power procurement from various sources on short term, medium term and long term. All such proposals have come randomly. Whereas, in an ideal situation, in the first instance long term sources of power procurement should have been tapped. Subsequently, medium term power



procurement should have been planned and lastly the left-over deficit should have been planned through short term sources.

Further, the Commission observes that HPPC purchased 6965 MUs of short-term power through competitive bidding during FY 2024-25, amounting to Rs. 4554 crores at an average rate of Rs. 6.54 per unit. In addition, 1050 MUs were procured on a short-term basis from the power exchanges, amounting to Rs. 596 crores, at an average rate of Rs. 5.67 per unit during the same period. At the same time, it is noted that HPPC sold 4721 MUs of power in the power exchanges during FY 2024-25, realizing Rs. 2248 crore at an average rate of Rs. 4.76 per unit. This reflects a situation where power was procured at relatively higher rates while surplus power was subsequently sold in the power exchanges at comparatively lower rates.

The Commission is of the view that such a trend warrants prudence in demand forecasting, power procurement planning, and portfolio optimization, so as to avoid situations where costly power is procured and surplus power is disposed of at lower market rates, thereby potentially impacting the overall power purchase cost and ultimately the tariff payable by consumers. Thus, HPPC needs to re-work on its power procurement strategy.

The Commission has also perused the 'Resource Adequacy Plan' dated December, 2025, prepared by 'Central Electricity Authority (CEA)', for the State of Haryana. The relevant extract of the same is reproduced below:-

*"Generally, surplus capacity is available with the state due to variation in electricity demand, RE availability etc. The pattern of surplus capacities has been observed as shown in Figure 12. From the figure below, it is observed that Haryana is expected to have a minimum surplus coal-based capacity ranging between 300 MW to 1700 MW during the period from August to March and April to May. This surplus capacity may be banked or shared with other states whose demand profile complements that of Haryana."*

The above observation indicates that Haryana is generally a power-surplus State, except during the months of June and July, and that too primarily during solar hours. It is also noted that power prices in the power exchanges during solar hours are generally lower, owing to higher availability of solar generation across the grid.

**The Commission has consistently observed that the power procurement plans ought to be rigorously monitored so that the cost of delivered power can be reduced and that there is a need for restructuring and strengthening of Haryana Power Purchase Centre (HPPC) by deploying adequate staff so that it can work 24x7 basis. The Commission has also advised that expert agencies can also be appointed through transparent bidding process.**

**The Commission has considered the reply filed by DISCOMs that HPPC is in the process for engaging an agency after following the due process.**

**In view of the above, the Commission is of the considered view that power procurement planning and execution must be subjected to rigorous, continuous and professional monitoring to ensure reduction in the cost of delivered power. Accordingly, the DISCOMs and HPPC are directed to:**

- Comprehensively assess their demand–supply position and prevailing market conditions in power exchanges and bilateral markets before permitting simultaneous planned maintenance of generating stations;**
- Restructure and strengthen HPPC, including deployment of adequate and competent manpower to enable round-the-clock (24×7) operations;**
- Engage expert and professional agencies, wherever required, to support power procurement, scheduling, and trading functions;**
- Undertake continuous monitoring of prices on power exchanges to enable timely substitution of high-cost power with cheaper alternatives, thereby improving responsiveness and cost efficiency in procurement planning; and**
- Progressively increase the share of cost-effective renewable energy in the overall power mix, while duly addressing the technical and operational challenges associated with large-scale renewable energy integration, with the objective of reducing power purchase cost without compromising quality and reliability of supply.**

**In this regard, an action taken report may be submitted within three months from the date of issue of this order.**

### 3.12 True up of AP Sales (FY 2024-25)

The petitioners, based on actual AP sales, have prayed for approval of Rs. 6131.67 Crores as revised RE Subsidy for FY 2024-25. The Commission in the Tariff order dated 05/03/2024 had approved Rs. 5941.17 Crores as RE Subsidy for FY 2024-25 based on projected sales as well as LT COS estimated by the Commission for FY 2024-25.

The AP consumption of the two Distribution Licensees in MUs, based on above data submitted by the petitioners for FY 2024-25, is worked out as per following table:

| AP consumption                                                              | UHBVN<br>(2024-25) | DHBVN<br>(2024-25) |
|-----------------------------------------------------------------------------|--------------------|--------------------|
| AP sales recorded on 11 kV segregated AP feeders (MUs)                      | 4827.87            | 6299.91            |
| Loss @ 16%                                                                  | 772.46             | 1007.99            |
| AP feeders net sales (MUs)                                                  | 4055.41            | 5291.92            |
| Consumption of AP on other feeders (MUs)                                    | 28.59              | 422.31             |
| Less Consumption of other category consumers on segregated AP feeders (MUs) | 18.72              | 153.66             |
| Total AP consumption                                                        | 4065.27            | 5560.57            |
| <b>Total AP consumption of two DISCOMs</b>                                  | <b>9625.85</b>     |                    |

  

|                                                                                                         |                |
|---------------------------------------------------------------------------------------------------------|----------------|
| Total AP Sales of DISCOMs for FY 2024-25 approved by Commission in Tariff Order dated 05/03/2024. (MUs) | <b>9325.21</b> |
|---------------------------------------------------------------------------------------------------------|----------------|

UHBVN and DHBVN in their ARR filing have submitted actual AP consumption for FY 2024-25 as 4065.27 MUs and 5560.57 MUs respectively whereas the consumption as per audited accounts 4032.34 MUs and 6507.00 MUs respectively. **Accordingly, total AP sales in respect of both the Discoms have been considered as 9592.91 MUs (UHBVNL-4032.34 MU and DHBVNL-5560.57 MU) for FY 2024-25.** Therefore, for the purpose of true up of RE subsidy for FY 2024-25, trued up AP consumption has been taken as 9592.91 MUs.

From the above, the Commission notes that the DHBVN Agriculture sales for FY 2024-25 as per audited account is 6507.00 MUs against 5560.57 MUs as per methodology adopted by the Commission. In UHBVN Agriculture sales for the FY 2024-25 is in similar bracket as per methodology of the HERC and audited account, whereas in case of DHBVN, there is a significant difference i.e. of 946.43 MU in sales for FY 2024-25.

The Commission, vide Tariff Order dated 28/03/2025 had directed that the MD DHBVNL will check the figures of AP sales and input energy and submit a report on running of AP

tube wells on non-AP feeders within one month of issue of this order besides reconciliation of figures as per order. No reply has been submitted by DHBVN till date.

**In view of the discrepancies in the AP sales figures, the Commission directs that the MD DHBVNL will check the figures of AP sales and input energy and submit a report on running of AP tube wells on non-AP feeders within one month of issue of this order besides reconciliation of figures as per order. The Commission again directs DHBVNL to shift AP connections on segregated AP feeders at the earliest for proper accounting of AP sales.**

### **3.13 Energy Sale and Revenue from Sale of Power (FY 2024-25)**

#### **UHBVNL**

UHBVNL, in its petition has submitted that Category wise energy sales to consumers actual vis-à-vis approved for FY 2024-25 is tabulated below: -

**Proposed UHBVNL Category wise Energy Sales for FY 2024-25 (In MU)**

| <b>Category</b>     | <b>Approved</b>  | <b>Actual</b>    |
|---------------------|------------------|------------------|
| Domestic            | 8403.76          | 7,882.76         |
| HT Industry         | 9275.13          | 9,347.72         |
| LT Industry         | 3347.24          | 2,772.85         |
| Agriculture         | 3633.85          | 4,032.34         |
| Bulk Supply         | 449.99           | 430.29           |
| Street Lighting     | 67.3             | 68.76            |
| PWW                 | 801.2            | 612.94           |
| Lift Irrigation     | -                | 44.75            |
| Agro industries/FPO | -                | 7.13             |
| <b>Total</b>        | <b>25,978.47</b> | <b>25,199.54</b> |

UHBVNL, in its petition submitted that in Tariff Order for FY 2021-22 dated 30.03.2021, the Commission had merged and re-categorized some of the then existing consumer categories. Accordingly, the consumers were billed and energy sales were accounted in Audited Accounts for FY 2024-25.

As per the applicable provisions of the HERC MYT Regulations, 2019, Energy Sales is an uncontrollable factor. Therefore, it is requested that actual energy sales as proposed in the table above may be approved for True Up of ARR for FY 2024-25.

## DHBVNL

For DHBVNL, the Category wise energy sales were approved as 35,293.36 MUs for FY 2024-25 in Tariff Order dated 5th March 2024 whereas actual sales as per the audited accounts are 35,779.02 MUs.

Energy Sales to overall category of consumers has been increased by 1.38% in FY 2024-25 in comparison to sales approved in Tariff Order dated 5th March 2024. The primary reason for increase in sales is adherence to the Citizen Chartered for timely release of new connections which resulted into increased sales.

Category-wise actual energy sold to the consumers vis-à-vis approved by the Hon'ble Commission for FY 2024-25 is tabulated as under:

**Proposed DHBVNL Energy Sales for FY 2024-25 (in MU)**

| Category           | Approved in Tariff Order | Actual Sales  |
|--------------------|--------------------------|---------------|
| Domestic           | 10,810                   | 10,389        |
| Non-Domestic       | 4,492                    | 2,555         |
| HT Supply & MITC   | 10,282                   | 12,201        |
| LT Supply          | 1,297                    | 1,283         |
| Lift Irrigation    | 226                      | 200           |
| Agriculture        | 5,691                    | 6,507         |
| Bulk Supply        | 1,559                    | 1,741         |
| Street Lightning   | 93                       | 110           |
| Public Water Works | 824                      | 785           |
| Agro/FPO           | 19                       | 8             |
| <b>Total Sales</b> | <b>35,293</b>            | <b>35,779</b> |

In view of above, DHBVNL has requested to approve the energy sales as 35,779 MUs for FY 2024-25.

**The Commission has trued up the energy sale as per the audited accounts and adjusted AP sales as per HERC methodology and approves the sales as 25,199.54 MUs for UHBVNL and 34,832.23 MUs for DHBVNL.**

Further, the Commission observed that as stated in books of accounts of both the distribution licensees, as per amendment, in rule-15 of electricity rule 2015 on dated 26/07/2023, Nigam booked subsidy from govt on Haryana on accrual basis. The effect of above changes in accounting policy has been taken prospectively.

| Revenue for the FY 2024-25, as per audited accounts                                     | UHBVNL    | DHBVNL    | TOTAL    |
|-----------------------------------------------------------------------------------------|-----------|-----------|----------|
| Revenue from sale of power as per audited accounts including revenue from fixed charges | 13,333.61 | 18,302.32 | 31635.94 |
| FSA                                                                                     | 1,062.19  | 1,532.22  | 2594.41  |

| Revenue for the FY 2024-25, as per audited accounts | UHBVNL          | DHBVNL          | TOTAL           |
|-----------------------------------------------------|-----------------|-----------------|-----------------|
| <b>Total</b>                                        | <b>14395.80</b> | <b>19834.54</b> | <b>34230.35</b> |
|                                                     |                 |                 |                 |
| Interstate Revenue for the FY 2024-25               | 1117.82         | 1,682.48        | 2800.30         |
| Total                                               | 15513.62        | 21517.02        | 37030.64        |
|                                                     |                 |                 |                 |
| <b>Subsidy as per balance sheet</b>                 | <b>3,027.90</b> | <b>4087.36</b>  | 7115.26         |
| -Subsidy-AP                                         | 2,866.87        | 3,860.22        | 6727.09         |
| Subsidy-Others                                      | 161.027         | 227.14          | 388.16          |

**As the above subsidy and FSA is booked on accrual basis, the revenue approved by the Commission for calculating the revenue gap of FY 2024-25, excluding subsidy is as under:**

**Approved Revenue from sale of power for the FY 2024-25 (Rs. Crore)**

| Revenue for the FY 2024-25                                                              | UHBVNL          | DHBVNL          | TOTAL           |
|-----------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|
| Revenue from sale of power as per audited accounts including revenue from fixed charges | 13,333.61       | 18,302.32       | 31635.94        |
| Revenue from FSA receivable from Non-AP consumers                                       | 582.59          | 836.99          | 1419.58         |
| <b>Total</b>                                                                            | <b>14395.80</b> | <b>19834.54</b> | <b>34230.35</b> |
|                                                                                         |                 |                 |                 |
| Interstate Revenue for the FY 2024-25                                                   | 1117.82         | 1,682.48        | 2800.30         |
| <b>Total Revenue excl. subsidy</b>                                                      | <b>15513.62</b> | <b>21517.02</b> | <b>35855.82</b> |

### 3.14 Fuel Power Purchase Adjustment Surcharge

The discoms, in their petition, have submitted that Regulation 66 of the HERC MYT Regulations, 2019, provides the approach for assessment of the Fuel Power Purchase Adjustment Surcharge (FPPAS). The aforesaid regulation was amended vide notification date 12.04.2023 and accordingly the FPPAS has been estimated for FY 2024-25.

The Hon'ble Commission in the Order dated 10.06.2025 in the Petition No. 5 of 2025 and Petition No. 6 of 2025 and in the IA No. 5 of 2025 & IA No. 8 of 2025 in the matter of True Up of FPPAS for FY 2024-25 has directed the Petitioners that the FPPAS receivable at this stage would not serve any purpose and true up of power purchase shall be filled in the ARR Petition of the ensuing year.

The FPPAS as per the regulation for FY 2024-25 at Haryana level is as under:

**Discoms Fuel Power Purchase Adjustment Surcharge for Haryana for FY 2024-25 (Rs Cr)**

| S. No.                                | Particulars                                                             | 2024-25          |
|---------------------------------------|-------------------------------------------------------------------------|------------------|
| <b>A</b>                              | Total Power Purchase                                                    | 76,481.90        |
| <b>B</b>                              | Interstate Sales                                                        | 6,562.16         |
| <b>(A-B)</b>                          | <b>Net Power Purchase</b>                                               | <b>69,919.74</b> |
| <b>C1</b>                             | Actual variable charges                                                 | 26,486.09        |
| <b>C2</b>                             | Actual fixed costs (incl. prior period expenses and excl. transmission) | 10,478.29        |
| <b>C3</b>                             | <b>Total Actual Power Purchase Cost (excl. Transmission)</b>            | <b>36,964.38</b> |
| <b>C4 = C3/(A)</b>                    | Actual APPC (excl. transmission)                                        | 4.83             |
| <b>C5</b>                             | APPC (excl. transmission) as per HERC                                   | 4.60             |
| <b>C = C4- C5</b>                     | <b>Incremental Power Purchase Cost (C)</b>                              | <b>0.24</b>      |
| <b>D1</b>                             | Actual Inter-state TS charges                                           | 2,424.85         |
| <b>D2</b>                             | Actual Intra state TS charges                                           | 1,966.59         |
| <b>D = D1 + D2</b>                    | <b>Total actual Transmission Charges</b>                                | <b>4,391.44</b>  |
| <b>E1</b>                             | HERC Inter-state TS charges                                             | 2,339.79         |
| <b>E2</b>                             | HERC Intra state TS charges                                             | 2,019.64         |
| <b>E = E1 + E2</b>                    | <b>Total HERC approved Transmission Charges</b>                         | <b>4,359.43</b>  |
| <b>D-E</b>                            | <b>Incremental Transmission Charges</b>                                 | <b>32.01</b>     |
| <b>Z1</b>                             | Distribution Losses                                                     | 10.00%           |
| <b>Z2</b>                             | Interstate losses (HERC approved)                                       | 3.62%            |
| <b>Z3</b>                             | Intrastate losses (HERC approved)                                       | 2.05%            |
| <b>Z4</b>                             | Actual Power Purchased outside the state                                | 52,111.23        |
| <b>Z5 = Z4 * Z2</b>                   | Less: Interstate Losses                                                 | 1,886.43         |
| <b>Z6 = Z4-Z5</b>                     | Net Power Purchased outside state at State Periphery                    | 50,224.80        |
| <b>Z7</b>                             | Actual Power Purchased inside the state at State Periphery              | 24,370.67        |
| <b>Z8 = Z6 + Z7</b>                   | Total Power Purchased at State Periphery                                | 74,595.47        |
| <b>Z9 = Z8 * Z3</b>                   | Less: Intrastate Losses                                                 | 1,529.21         |
| <b>Z10 = Z8 - Z9</b>                  | Net Power Purchase at Discom Periphery                                  | 73,066.26        |
| <b>Z11 = B</b>                        | Interstate Sales                                                        | 6,562.16         |
| <b>Z = Z10 - Z11</b>                  | <b>Power at Distribution Periphery</b>                                  | <b>66,504.10</b> |
| <b>(A-B)*C</b>                        | <b>Incremental Power Purchase Cost</b>                                  | <b>1,649.22</b>  |
| <b>(A-B)*C +(D-E)</b>                 | Total FPPAS for FY 2024-25                                              | 1,681.24         |
|                                       | <b>FPPAS Recoverable for FY 2024-25</b>                                 | <b>1,681.24</b>  |
| <b>Revenue</b>                        | Total Revenue at Current Tariff (HERC approved)                         | 41,018.06        |
| <b>Sales</b>                          | Sales for DISCOMs (HERC approved)                                       | 61,271.83        |
| <b>ABR = Revenue*10/sales</b>         | <b>Average Billing Rate</b>                                             | <b>6.69</b>      |
| <b>[(A-B)*C+(D-E)]/[Z*(1-Z1)*ABR]</b> | <b>Estimated FSA %</b>                                                  | <b>4.20%</b>     |

The FPPAS for the FY 2024-25 has been estimated as 4.20% of the approved tariff for each consumer category and the same amounts to Rs. 1,681,24 Cr. at Haryana level.

With the above calculations, FPPAS Amount pertaining to AP and Non-AP Consumers (@4.20%) for the FY 2024-25 is as under: -

**FPPAS Recoverable from AP and Non-AP consumers for FY 2024-25**

| Sr. No. | Particulars                                                | Unit           | Amount          |
|---------|------------------------------------------------------------|----------------|-----------------|
| 1       | Actual AP Sales FY 2024-25                                 | MU             | 9625.85         |
| 2       | Approved Variable AP Tariff                                | Rs/kWh         | 6.48            |
| 3       | Per unit FPPAS pertaining to AP Consumers [(4.20%) of (2)] | Rs/kWh         | 0.27            |
| 4       | <b>FPPAS amount for AP consumers [(3*1)/10]</b>            | <b>Rs. Crs</b> | <b>261.66</b>   |
| 5       | <b>FPPAS amount for Non-AP consumers</b>                   | <b>Rs. Crs</b> | <b>1,419.66</b> |

Therefore, discoms submitted that the FPPAS amount of Rs. 1,681.24 Cr at the Haryana level may be allowed by the Commission. The same has also been considered in the Audited Accounts of FY 2024-25 on accrual basis.

**UHBVNL has submitted the additional information regarding FPPAs and FSA as under:**

The status of FSA booked on accrual basis and its realization of FY 2022-23 to FY 2025-26 (up to 30.09.2025) is as under:

**FSA Receivable from Consumers as on 30.09.2025 (Rs cr)**

| Particular                                                                 | FY 2022-23    | FY 2023-24     | FY 2024-25    |
|----------------------------------------------------------------------------|---------------|----------------|---------------|
| FSA Recoverable from Consumers as on 31.03.2025                            | 1241.67       | 1301.87        | 579.48        |
| Less: Assessment/Receipt from consumers during 1st Half Year of FY 2025-26 | 473.59        | -              | -             |
| <b>Net Balance receivable as on 30.09.2025</b>                             | <b>768.08</b> | <b>1301.87</b> | <b>579.48</b> |

**FSA Receivable from State Govt as on 30.09.2025 (Rs cr)**

| Particular                                                                   | FY 2022-23   | FY 2023-24    | FY 2024-25    |
|------------------------------------------------------------------------------|--------------|---------------|---------------|
| FSA Recoverable from State Govt. as on 31.03.2025                            | 101.20       | 137.25        | 110.50        |
| Less: Assessment/Receipt from State Govt. during 1st Half Year of FY 2025-26 | 35.21        | 33.78         | -             |
| <b>Net Balance receivable as on 30.09.2025</b>                               | <b>65.99</b> | <b>103.47</b> | <b>110.50</b> |

Currently, FSA for the FY2022-23 is being levied @47 paise/unit. Further, the recovery of FSA for FY 2023-24 and FY 2024-25 is under consideration by the competent authority and the same will be submitted to the Hon'ble Commission in due course of time.



## DHBVNL

DHBVNL has also submitted the additional information vide memo no Ch-97/SE/RA-785 dated 09.01.2025 as under:

The year-wise details of FSA received from State Govt. are given as under: -

| FY      | Nature             | Amount (In Crores.) | Remarks                     |
|---------|--------------------|---------------------|-----------------------------|
| 2022-23 | AP FSA             | 136.25              | Received                    |
| 2023-24 | AP FSA             | 616.45              | Received                    |
| 2024-25 | AP FSA             | 214.76              | Received                    |
|         | Non-AP FSA         | 123.89              | Received                    |
|         | AP FSA             | 197.51              | Receivable from State Govt. |
|         | Non-AP FSA         | 128.99              | Receivable from State Govt. |
|         | <b>Gross Total</b> | <b>1,417.85</b>     |                             |

Further, the reconciliation & realization of the FSA is provided below:

| Months             | Assessed (In Rs.)     | Realized (In Rs.)     |
|--------------------|-----------------------|-----------------------|
| DS                 | 3,260,590,078         | 3,067,126,836         |
| HT                 | 5,588,589,999         | 5,488,851,742         |
| LT                 | 1,525,363,670         | 1,490,109,818         |
| LIFT IRRIGATION    | 112,632,969           | 74,676,206            |
| BLUK SUPPLY        | 845,762,083           | 743,989,162           |
| STREET LIGHT       | 39,993,533            | 26,014,492            |
| PWW                | 325,733,109           | 269,288,308           |
| OTHERS             | 3,622,777             | 2,938,446             |
| <b>Grand Total</b> | <b>11,702,288,217</b> | <b>11,162,995,010</b> |

On perusal of the data submitted by both the discoms regarding FPPA and FSA, the Commission observes that the Discoms have estimated the FSA receivable for the FY 2022-23, FPPA receivable for the FY 2023-24 and FY 2024-25, already booked by them amounting to Rs. 14325.54 crore and after recovery @ 47 paise/unit, an amount of Rs. 8725.63 crore (inclusive of true-up of AP subsidy) is outstanding as on 31.03.2025, as tabulated below:-

(Rs. in Cr.)

| Particulars                  | FY 2022-23- FSA |         |                | FY-2023-24- FPPA |         |                | FY-2024-25 FPPA |        |                | Total as on 31.03.2025 |
|------------------------------|-----------------|---------|----------------|------------------|---------|----------------|-----------------|--------|----------------|------------------------|
|                              | UH              | DH      | Total          | UH               | DH      | Total          | UH              | DH     | Total          |                        |
| FSA booking on accrual basis | 3499.70         | 5086.10 | <b>8585.80</b> | 1617.72          | 2440.78 | <b>4058.50</b> | 689.98          | 991.26 | <b>1681.24</b> | <b>14325.54</b>        |
| Amount recovered             | 2156.83         | 3007.48 | <b>5164.31</b> | 178.60           | 257     | <b>435.60</b>  | 0               | 0      | <b>0</b>       | <b>5599.91</b>         |

| Particulars                              | FY 2022-23- FSA |         |         | FY-2023-24- FPPA |         |         | FY-2024-25 FPPA |        |         | Total as on 31.03.2025 |
|------------------------------------------|-----------------|---------|---------|------------------|---------|---------|-----------------|--------|---------|------------------------|
|                                          | UH              | DH      | Total   | UH               | DH      | Total   | UH              | DH     | Total   |                        |
| up to 31.03.2025                         |                 |         |         |                  |         |         |                 |        |         |                        |
| Balance to be recovered as on 31.03.2025 | 1342.87         | 2078.62 | 3421.49 | 1439.12          | 2183.78 | 3622.90 | 689.98          | 991.26 | 1681.24 | 8725.63                |

\*Holding cost on FPPAS of FY 2022-23 is booked in FY 2024-25

**Fuel and Power Purchase Adjustment (FPPA) or Fuel Surcharge Adjustment (FSA) receivables of Rs. 8725.63 crore represent the accumulated, unpaid cost of fuel and power procurement that DISCOMs have incurred, but have not yet recovered from consumers/State Govt.**

**Further, it is observed that out of Rs 8725.63 crore, Rs 675.45 crore is recoverable from the State Government, which should be recovered without delay.**

| Particulars                           | UHBVNL  | DHBVNL  | TOTAL    |
|---------------------------------------|---------|---------|----------|
| Total FSA receivable as on 31.03.2025 | 3471.97 | 5253.66 | 8,725.63 |
| Recoverable from consumer             | 3123.02 | 4927.16 | 8,050.18 |
| Recoverable from State Govt (subsidy) | 348.95  | 326.5   | 675.45   |

### 3.15 Revised ARR for the FY 2024-25 after truing-up

The discoms have proposed the revised ARR for the year 2024-25 as under:

#### UHBVNL proposed Aggregate Revenue Requirement for FY 2024-25 (Rs Crores)

| Sr.No.   | Particulars                                      | Approved in TO dt 05.03.2024 | Proposed for True Up |
|----------|--------------------------------------------------|------------------------------|----------------------|
| <b>1</b> | <b>Total Power Purchase Expense</b>              | <b>15,718.54</b>             | <b>17,135.17</b>     |
| 1.1      | Power Purchase Expense                           | 13,826.58                    | 15,084.23            |
| 1.2      | Interstate transmission Charges                  | 957.72                       | 1,083.48             |
| 1.3      | Intrastate transmission charges and SLDC charges | 934.24                       | 913.71               |
| 1.4      | Impact of sharing of gains for distribution loss | -                            | 53.75                |
| <b>2</b> | <b>Operations and Maintenance Expenses</b>       | <b>1,998.21</b>              | <b>2,012.33</b>      |
| 2.1      | Employee Expense                                 | 1,232.71                     | 1,095.66             |
| 2.2      | Administration & General Expense                 | 128.89                       | 228.88               |
| 2.3      | Repair & Maintenance Expense                     | 187.05                       | 171.67               |
| 2.4      | Terminal Liability                               | 450.00                       | 490.11               |

| Sr.No.    | Particulars                                 | Approved<br>in TO dt<br>05.03.2024 | Proposed<br>for True Up |
|-----------|---------------------------------------------|------------------------------------|-------------------------|
| 2.5       | Impact of sharing of gains for O&M expenses | -                                  | 26                      |
| <b>3</b>  | <b>Depreciation</b>                         | <b>415.97</b>                      | <b>351.63</b>           |
| <b>4</b>  | <b>Interest &amp; Finance Charges</b>       | <b>444.92</b>                      | <b>750.65</b>           |
| 4.1       | Interest on CAPEX loans                     | 201.95                             | 287.65                  |
| 4.2       | Interest on WC loans including CC/OD limits | 126.51                             | 379.71                  |
| 4.3       | Interest Cost on Consumer Security Deposit  | 125.18                             | 115.19                  |
| 4.4       | HVPNL Bonds                                 | -                                  | 8.09                    |
| 4.5       | Guarantee Fees / Interest on other Bonds    | 34.90                              | 37.60                   |
| 4.6       | Less: Interest Capitalized                  | 43.62                              | 77.59                   |
| <b>5</b>  | <b>Return on Equity</b>                     | <b>321.69</b>                      | <b>295.07</b>           |
| <b>6</b>  | <b>Other Expenses</b>                       | <b>-</b>                           | <b>26.27</b>            |
| <b>8</b>  | <b>Total Expenditure</b>                    | <b>18,899.33</b>                   | <b>20,571.12</b>        |
| 9         | Less: Non-Tariff Income                     | 278.43                             | 183.66                  |
| <b>10</b> | <b>Net Aggregate Revenue Requirement</b>    | <b>18,620.90</b>                   | <b>20,387.46</b>        |

**DHBVNL proposed Aggregate Revenue Requirement for FY 2024-25 (Rs Crores)**

| S.<br>No. | Particulars                                                | Approved<br>(A)  | Actual<br>(B)     |
|-----------|------------------------------------------------------------|------------------|-------------------|
| <b>1</b>  | <b>Total Power purchase cost</b>                           | <b>22,254.16</b> | <b>24,340.15</b>  |
| 1.1       | Power Purchase Expenses                                    | 19,786.69        | 21,854.96         |
| 1.2       | Interstate transmission charges                            | 1,382.07         | 1,406.63          |
| 1.3       | Intrastate transmission charges and SLDC charges           | 1,085.40         | 1,078.57          |
| <b>2</b>  | <b>Operations and Maintenance Expenses</b>                 | <b>2,426.17</b>  | <b>2,318.76</b>   |
| 2.1       | Employee Expense (Net of Capitalization)                   | 1,313.09         | 1,232.64          |
| 2.2       | Administration & General Expense (Net of Capitalization)   | 166.49           | 196.41            |
| 2.3       | Repair & Maintenance Expense                               | 248.82           | 221.56            |
| 2.4       | Terminal Liability                                         | 697.77           | 629.26            |
| 2.5       | Sharing of Gain/losses in O&M Expenses                     | -                | 38.90             |
| <b>3</b>  | <b>Depreciation</b>                                        | <b>416.53</b>    | <b>385.56</b>     |
| <b>4</b>  | <b>Total Interest &amp; Finance Charges</b>                | <b>562.23</b>    | <b>974.93</b>     |
| 4.1       | Interest on Long Term Loans                                | 161.96           | 150.49            |
| 4.2       | Interest on Working Capitals                               | 126.49           | 637.45            |
| 4.3       | Interest on Security Deposit                               | 198.77           | 116.70            |
| 4.4       | Other Interest & Finance Charges                           | 25.01            | 12.49             |
| 4.5       | Guarantee Fee                                              | 50.00            | 57.80             |
| <b>5</b>  | <b>Return on Equity Capital</b>                            | <b>291.89</b>    | <b>264.55</b>     |
| <b>6</b>  | <b>Other Expenses (Debits &amp; Prior period Expenses)</b> | <b>-</b>         | <b>30.17</b>      |
| <b>7</b>  | <b>Total Expenditure</b>                                   | <b>25,950.98</b> | <b>28,314.13</b>  |
| 8         | Less: Non-Tariff Income                                    | 308.61           | 306.82            |
| <b>9</b>  | <b>Net Aggregate Revenue Requirement</b>                   | <b>25,642.37</b> | <b>28,007.31</b>  |
| <b>10</b> | <b>Total Revenue</b>                                       |                  | <b>19,984.80</b>  |
| 10.1      | Revenue from Interstate sales                              |                  | 1,682.48          |
| 10.2      | Revenue from Intrastate sales / Sale of Power              |                  | 18,302.32         |
| <b>11</b> | <b>Revenue Surplus/(Gap)</b>                               |                  | <b>(8,022.51)</b> |

| S. No.    | Particulars                                             | Approved | Actual            |
|-----------|---------------------------------------------------------|----------|-------------------|
|           |                                                         | (A)      | (B)               |
| 11.1      | Less: Subsidy from Govt. of Haryana for AP consumers    |          | 3,542.27          |
| 11.2      | Less: Subsidy from Govt. of Haryana for others          |          | 227.14            |
| <b>12</b> | <b>Gap After AP Subsidy</b>                             |          | <b>(4,253.10)</b> |
| 13        | FSA Receivable                                          |          | 991.26            |
| 14        | Less: Expenses due to overachievement of capitalization |          | 16.61             |
| <b>15</b> | <b>Gap after FSA Adjustment</b>                         |          | <b>(3,278.45)</b> |

After consideration of analysis and observations as stated in preceding paras, the Commission approves the revised ARR for UHBVNL and DHBVNL as per the details provided in the table(s) below:

**Approved True Up of Expenses for FY 2024-25 (Rs. Crore)- UHBVNL**

| Sr. No   | Particulars                                                 | Approved         | Proposed         | Revised True Up |
|----------|-------------------------------------------------------------|------------------|------------------|-----------------|
| <b>1</b> | <b>Total Power Purchase Expense</b>                         | <b>15,718.54</b> | <b>17,135.17</b> | <b>17081.42</b> |
| 1.1      | Power Purchase Expense                                      | 13,826.58        | 15,084.23        |                 |
| 1.2      | Interstate transmission Charges                             | 957.72           | 1,083.48         |                 |
| 1.3      | Intrastate transmission charges and SLDC charges            | 934.24           | 913.71           |                 |
| 1.4      | Impact of sharing of gains for distribution loss            | -                | 53.75            |                 |
| <b>2</b> | <b>Operations and Maintenance Expenses</b>                  | <b>1,998.21</b>  | <b>2012.32</b>   | <b>1981.76</b>  |
| 2.1      | Employee Expense                                            | 1,232.71         | 1,095.66         | 1313.66         |
| 2.2      | Administration & General Expense                            | 128.89           | 228.88           | 224.31          |
| 2.3      | Repair & Maintenance Expense                                | 187.05           | 171.67           | 171.67          |
| 2.4      | Terminal Liability                                          | 450              | 490.11           | 272.12          |
| 2.5      | Impact of sharing of gains for O&M expenses                 | -                | 26               | 0.00            |
| <b>3</b> | <b>Depreciation</b>                                         | <b>415.97</b>    | <b>351.63</b>    | <b>351.63</b>   |
| <b>4</b> | <b>Interest &amp; Finance Charges</b>                       | <b>444.92</b>    | <b>750.65</b>    | <b>491.58</b>   |
|          | Interest on Capex Loans                                     | 158.33           | 210.06           | 210.06          |
|          | Interest on Working Capital Loans                           | 126.51           | 379.71           | 128.73          |
|          | Interest on Consumer Security Deposits                      | 125.18           | 115.19           | 115.19          |
|          | HVPNL Bonds                                                 | -                | 8.09             | 0.00            |
|          | Other Interest and Finance charges including Guarantee Fees | 34.9             | 37.6             | 37.60           |
| <b>5</b> | <b>Return on Equity Capital</b>                             | <b>321.69</b>    | <b>295.07</b>    | <b>286.37</b>   |
| <b>6</b> | <b>Other Expenses</b>                                       |                  | <b>26.27</b>     | <b>8.21</b>     |
| <b>7</b> | <b>Total Expenditure</b>                                    | <b>18899.33</b>  | <b>20571.11</b>  | <b>20201.03</b> |
| 8        | Less: Non-Tariff Income                                     | 278.43           | 183.66           | 183.66          |
| <b>9</b> | <b>Net Aggregate Revenue Requirement</b>                    | <b>18620.90</b>  | <b>20387.45</b>  | <b>20017.31</b> |

**Approved True Up of Expenses for FY 2024-25 (Rs. Crore)- DHBVNL**

| <b>Sr. No.</b> | <b>Particulars</b>                                       | <b>Approved (A)</b> | <b>Actual (B)</b> | <b>Revised True up</b> |
|----------------|----------------------------------------------------------|---------------------|-------------------|------------------------|
| <b>1</b>       | <b>Total Power purchase cost</b>                         | <b>22,254.16</b>    | <b>24,340.15</b>  | <b>24,117.84</b>       |
| 1.1            | Power Purchase Expenses                                  | 19,786.69           | 21,854.96         |                        |
| 1.2            | Interstate transmission charges                          | 1,382.07            | 1,406.63          |                        |
| 1.3            | Intrastate transmission charges and SLDC charges         | 1,085.40            | 1,078.57          |                        |
| <b>2</b>       | <b>Operations and Maintenance Expenses</b>               | <b>2,426.17</b>     | <b>2,318.77</b>   | <b>2276.97</b>         |
| 2.1            | Employee Expense (Net of Capitalization)                 | 1,313.09            | 1,232.64          | 1232.64                |
| 2.2            | Administration & General Expense (Net of Capitalization) | 166.49              | 196.41            | 193.51                 |
| 2.3            | Repair & Maintenance Expense                             | 248.82              | 221.56            | 221.56                 |
| 2.4            | Terminal Liability                                       | 697.77              | 629.26            | 629.26                 |
| 2.5            | Sharing of Gain/losses in O&M Expenses                   | -                   | 38.9              | 0.00                   |
| 3              | Depreciation                                             | 416.53              | 385.56            | 385.56                 |
| 4              | Total Interest & Finance Charges                         | 562.23              | 974.93            | 496.77                 |
|                | Interest on Capex Loans                                  | 161.96              | 150.49            | 150.11                 |
|                | Interest on Working Capital Loans                        | 126.49              | 637.45            | 159.67                 |
|                | Interest on Consumer Security Deposits                   | 198.77              | 116.7             | 116.70                 |
|                | Other Interest and Finance charges                       | 25.01               | 12.49             | 12.49                  |
|                | Guarantee Fees                                           | 50.00               | 57.80             | 57.80                  |
| 5              | Return on Equity Capital                                 | 291.89              | 264.55            | 256.89                 |
| 6              | Other Expenses (Debits & Prior period Expenses)          |                     | 30.17             | 7.14                   |
| <b>7</b>       | <b>Total Expenditure</b>                                 | <b>25,950.98</b>    | <b>28,314.13</b>  | <b>27,541.17</b>       |
| 8              | Less: Non-Tariff Income                                  | 308.61              | 306.82            | 306.81                 |
| <b>9</b>       | <b>Net Aggregate Revenue Requirement</b>                 | <b>25,642.37</b>    | <b>28,007.31</b>  | <b>27,234.36</b>       |

**3.16 Subsidy and Revenue Gap for the FY 2024-25**

The petitioner(s) have submitted that Regulation 68 of the HERC MYT Regulations, 2019, provides the provisions for subsidy. It stipulates that if the State Govt. requires to pay subsidy in the electricity tariff determined under Section 62 to any consumer or class of consumers under Section 65 and Section 108 of the Electricity Act 2003, the amount of subsidy determined by the Hon'ble Commission shall be paid in advance. The extract of the relevant section is reproduced as under:

***"68. SUBSIDY***

*68.1 Pursuant to Section 65 of the Electricity Act, 2003 in case the State Government requires grant of any subsidy to any consumer or class of consumers in the tariff determined under Section 62, the distribution licensee should ensure that the State Government shall, notwithstanding any direction which may be given under Section 108,*

*pay in advance the requisite amount as determined by the Commission to compensate the distribution licensee affected by the grant of subsidy.”*

The amount of subsidy determined by the Hon’ble Commission shall be paid in advance, as provided under Section 65 of the Electricity Act, 2003. The extract of the relevant section is reproduced as under:

**“65. Provision of subsidy by State Government**

*If the State Government requires the grant of any subsidy to any consumer or class of consumers in the tariff determined by the State Commission under Section 62, the State Government shall, notwithstanding any direction which may be given under Section 108, pay, in advance and in such manner as may be prescribed, the requisite to compensate the person affected by the grant of subsidy in the manner the State Commission may direct....”*

UHBVNL and DHBVNL have submitted that the subsidy is being booked on the receipt basis in the audited accounts for FY 2024-25. The details of subsidy receipt from the State Govt. of Haryana for FY 2024-25 are summarized below:

**Proposed subsidy receipt from the Govt. of Haryana for FY 2024-25 (Rs Crores)**

| Sr. No.  | Particulars                                     | Amount          |
|----------|-------------------------------------------------|-----------------|
|          | <b>UHBVNL</b>                                   |                 |
| 1        | Subsidy for Agriculture Category                | 2,589.40        |
| 2        | Subsidy for Domestic Category & Other consumers | 161.03          |
| <b>3</b> | <b>Total Subsidy Receipt</b>                    | <b>2,750.43</b> |
|          | <b>DHBVNL</b>                                   |                 |
| <b>1</b> | Subsidy for Agriculture Category                | <b>3,542.27</b> |
| <b>2</b> | Subsidy for Other than Agriculture Category     | <b>227.14</b>   |
| <b>4</b> | <b>Total Subsidy Receipts</b>                   | <b>3,769.41</b> |

The petitioner(s) have submitted that the energy sales for agriculture category has increased in actual as per the audited accounts for FY 2024-25 than the energy sales approved in the Tariff Order dated 05.03.2024. The revision of AP subsidy on account of revision in energy sales is shown in the table below:

**Proposed Increase in the Subsidy for FY 2024-25 (Rs Crores)**

| Sr. No. | Particulars                               | Unit   | Amount   |
|---------|-------------------------------------------|--------|----------|
| 1       | RE Subsidy allowed in TO dated 05.03.2024 | Rs Crs | 5,941.17 |
| 2       | Approved AP Sales in TO dated 05.03.2024  | MU     | 9,325.21 |

|   |                                                                       |               |                 |
|---|-----------------------------------------------------------------------|---------------|-----------------|
| 3 | Approved Per unit Subsidy                                             | Rs/kWh        | 6.48            |
| 4 | Normative Agriculture Sales of UHBVNL                                 | MU            | 4,065.27        |
| 5 | Normative Agriculture Sales of DHBVNL                                 | MU            | 5,560.57        |
| 6 | <b>Normative Agriculture Sales</b>                                    | <b>MU</b>     | <b>9,625.85</b> |
| 7 | Eligibility of subsidy based on actual sales of 2024-25 $((1/2)*(6))$ | Rs. Crs       | 6,131.67        |
| 8 | <b>Subsidy Outstanding/(Surplus)</b>                                  | <b>Rs Crs</b> | <b>190.50</b>   |

The discoms have requested that keeping the above appropriate direction in pursuance to Section 65 may be issued to meet the unpaid subsidy for FY 2024-25 in the ARR of the ensuing year FY 2026-27.

Further, vide additional information, discoms have shared other details as under:

#### UHBVNL

The detail of subsidy booked and received from the State Government is as follows. It is pertinent to mention here that subsidy of ₹2589.40 crore shown in point no. 13 is AP subsidy booked pertaining to FY 2024-25 against which AP Subsidy of Rs. 2337.97 crore was received during the FY 2024-25.

| Particulars                                             | Remarks                                                                | Subsidy booked | Subsidy received | Subsidy receivable as on 31.03.2025 | Subsidy received during FY 2025-26 against receivables | Subsidy withdrawn in FY 2025-26 | Subsidy receivable as on 31.12.2025 |
|---------------------------------------------------------|------------------------------------------------------------------------|----------------|------------------|-------------------------------------|--------------------------------------------------------|---------------------------------|-------------------------------------|
| Subsidy from State Government for Agriculture Consumers | AP Subsidy of FY 2024-25                                               | 2589.40        | 2337.97          | 251.43                              | 170.98                                                 | 0.00                            | 80.45                               |
|                                                         | True up AP subsidy of FY 2022-23                                       | 182.20         | 182.20           | 0.00                                | 0.00                                                   | 0.00                            | 0.00                                |
|                                                         | True up AP subsidy of FY 2021-22 (*)                                   | 82.97          | 0                | 82.97                               | 0.00                                                   | 82.97                           | 0.00                                |
|                                                         | Interest on true up AP subsidy of FY 2021-22 (*)                       | 12.30          | 0                | 12.30                               | 0.00                                                   | 12.30                           | 0.00                                |
| <b>Total AP Subsidy</b>                                 |                                                                        | <b>2866.87</b> | <b>2520.17</b>   | <b>346.70</b>                       | <b>170.98</b>                                          | <b>95.27</b>                    | <b>80.45</b>                        |
| Subsidy from State Government for Other Consumers       | Gaushala Subsidy                                                       | 2.43           | 1.37             | 1.06                                | 0.00                                                   | 0.00                            | 1.06                                |
| Subsidy from State Government for Domestic Consumers    | Subsidy for waiver of Monthly Minimum Charges (MMC) in FY 2024-25 (**) | 106.86         | 0                | 106.86                              | 5.00                                                   | 50.43                           | 51.43                               |

| Particulars                                                                    | Remarks | Subsidy booked | Subsidy received | Subsidy receivable as on 31.03.2025 | Subsidy received during FY 2025-26 against receivables | Subsidy withdrawn in FY 2025-26 | Subsidy receivable as on 31.12.2025 |
|--------------------------------------------------------------------------------|---------|----------------|------------------|-------------------------------------|--------------------------------------------------------|---------------------------------|-------------------------------------|
| Revenue Subsidy from Industrial Department Government for Industrial Consumers |         | 51.74          | 15.28            | 36.46                               | 0.00                                                   | 0.00                            | 36.46                               |
| <b>Total</b>                                                                   |         | <b>3027.90</b> | <b>2536.82</b>   | <b>491.08</b>                       | <b>175.98</b>                                          | <b>145.70</b>                   | <b>169.40</b>                       |

\* State Government has requested to meet with this expenditure from its own sources.

\*\* MMC subsidy of ₹ 50.43 crore withdrawn based on actual audited subsidy of ₹ 56.43 crore allowed by the UHBVNL in FY 2024-25

#### DHBVNL

The details of subsidy booked on accrual basis and actual receipt there against as well as subsidy receivable are as under:

#### AP Subsidy

| Year         | Accrued         | Receipt         | Diff./Receivable |
|--------------|-----------------|-----------------|------------------|
| FY 2024-25   | 3,542.27        | 3,198.31        | 343.96           |
| FY 2022-23   | 222.68          | 22.68           | -                |
| FY 2021-22   | 95.27           | -               | 95.27            |
| <b>Total</b> | <b>3,860.22</b> | <b>3,421.00</b> | <b>439.23</b>    |

#### Other Subsidy

| Year                        | Accrued       | Receipt      | Diff./Receivable |
|-----------------------------|---------------|--------------|------------------|
| Gaushalas,/Dangero us Lines | 15.63         | 15.63        | -                |
| MMC                         | 167.00        | -            | 167.00           |
| Industrial                  | 44.51         | 5.38         | 39.13            |
| <b>Total</b>                | <b>227.14</b> | <b>21.01</b> | <b>206.13</b>    |

Further, the amount shown as Rs 971.85 crores at Note-17 includes subsidy receivable Rs 645.35 crore, FSA subsidy for AP consumers of Rs. 326.50 crores.

The discoms further vide memo no. Ch- 27/RA/F-182/Vol-II dated 05.02.2026, regarding RE subsidy, Gaushala subsidy and FSA/FPPA subsidy have submitted that unpaid subsidy as on date is Rs 1869.53 crore, out of which Rs 190.54 crore on account of true up of FY 2021-22 shall not be paid by State Government. The Government has advised to meet the expenditure from own source of Rs 190.54 crore for the FY 2021-22 and Additional supplementary budget of ₹3094.29 crore has been provided by the State Government



**On consideration of above, the discoms are directed to diligently follow up with State Government and make all the efforts to receive the unpaid subsidy. Non-payment or delayed payment of subsidies to DISCOMs creates a severe financial bottleneck leading to a cascade of negative impacts across the power utilities. Cash-strapped DISCOMs struggle to pay power generation companies, resulting in high overdue payments and increased working capital, which disrupts the entire sector's liquidity. Financial distress limits investment in essential network maintenance, grid modernization and infrastructure improvement leading to poorer service quality and higher tariffs.**

The ROE allowed during the year is utilized by the petitioner(s) in form of equity to fund capital works. Meeting unpaid RE-Subsidy for FY 2021-22 with the ROE allowed for FY 2024-25 would affect the loss reduction activities and unreasonably burden the tariff of Non-AP Consumer Category. It is further requested by discoms that keeping the above appropriate direction in pursuance to Section 65 may kindly be issued to meet the unpaid subsidy for FY 2021-22.

The revenue gap proposed by the Discoms is as under:

**Proposed Revenue Gap FY 2024-25 (Rs. Crore)**

| Sr. No.  | Particulars                                       | Approved          | UHBVNL            | DHBVNL            | Haryana           |
|----------|---------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
| <b>1</b> | <b>Aggregate Revenue Requirement</b>              | <b>44,263.27</b>  | <b>20,387.46</b>  | <b>28,007.31</b>  | <b>48,394.77</b>  |
| <b>2</b> | <b>Income (inc. subsidy)</b>                      | <b>41,018.06</b>  | <b>17,891.84</b>  | <b>24,745.47</b>  | <b>42,637.31</b>  |
| 2.1      | Sale of Power                                     | 35076.89          | 13,333.61         | 18,302.32         | 31,635.94         |
| 2.2      | Interstate Sales                                  |                   | 1,117.82          | 1,682.48          | 2,800.30          |
| 2.3      | FSA                                               |                   | 689.98            | 991.26            | 1,681.24          |
| 2.3      | <b>Subsidy</b>                                    | <b>5,941.17</b>   | <b>2,750.43</b>   | <b>3,769.41</b>   | <b>6,519.83</b>   |
| a)       | - AP Subsidy                                      | 5941.17           | 2,589.40          | 3,542.27          | 6,131.67          |
| b)       | - Domestic subsidy                                |                   | 106.86            | 227.14            | 388.16            |
| c)       | - Industry (C&D)                                  |                   | 51.74             |                   |                   |
| d)       | - Other consumers                                 |                   | 2.43              |                   |                   |
| <b>3</b> | <b>Revenue Surplus/(Gap) (2-1)</b>                | <b>(3,245.21)</b> | <b>(2,495.62)</b> | <b>(3,261.84)</b> | <b>(5,757.46)</b> |
| 4        | Add: Impact of variation in capitalization        | -                 | -                 | 16.61             | 16.61             |
| <b>5</b> | <b>Net Revenue Surplus/(Gap)</b>                  | <b>(3,245.21)</b> | <b>(2,495.62)</b> | <b>(3,278.45)</b> | <b>(5,774.07)</b> |
| 6        | Revenue Surplus/(Gap) for FY 2022-23*             | (212.46)          |                   |                   | (212.46)          |
| 7        | Holding cost for 1.5 years @ 8.5% for 2022-23     | (27.09)           |                   |                   | (27.09)           |
| <b>8</b> | <b>Revenue Surplus/(Gap) with impact of FY 23</b> | <b>(3,484.76)</b> |                   |                   | <b>(6,013.62)</b> |
| 9        | Revenue Surplus/(Gap) for FY 2023-34              | -                 |                   |                   | 721.72            |

| Sr. No. | Particulars                                      | Approved          | UHBVNL | DHBVNL | Haryana           |
|---------|--------------------------------------------------|-------------------|--------|--------|-------------------|
| 10      | Holding cost for 0.5 years @ 8.5% for 2023-24    |                   |        |        | 30.67             |
| 11      | <b>Revenue Surplus/(Gap) to be carry forward</b> | <b>(3,484.76)</b> |        |        | <b>(5,261.23)</b> |

The discoms have submitted that Revenue Surplus of Rs. 721.72 Cr. of FY 2023-24 has been adjusted to arrive at the final Revenue (Gap) of FY 2024-25, as there is small standalone Gap in FY 2025-26. So, the Surplus of FY 2023-24 has been adjusted to minimize the net Gap in FY 2024-25 which will ultimately reduce burden on consumers through reduction in the ARR of FY 2026-27.

Further, the discoms have requested that the Revenue Surplus/(Gap) for FY 2024-25 may be allowed to be carry forward and consider in the ARR of FY 2026-27.

The Commission observes that DHBVNL has claimed the impact of overachievement of capitalization target based on the provisions specified in Regulation 18.1 (B) of the HERC MYT Regulations, 2019. However, on perusal of **the regulation, it seems that the utility has misinterpreted the regulation concerned. Regulation 18.1 of the HERC MYT Regulations, 2019, provides that adjustment in tariff shall be made on account of variation in the capitalization achieved vis-a-vis approved. The relevant extract of the aforesaid regulation is reproduced below:**

***“18.1 Prudence Check of Capital Expenditure:***

***B. Distribution Licensee***

***Any excess tariff recovered on account of variation in projected capitalization in the tariff order vis-a-vis trued up capitalization by more than 10% during the year, shall be adjusted in the Revenue Gap/Surplus of the relevant year along with interest rate at 1.20 times of the bank rate prevalent on 1st April of respective year:***

***Provided that any excess tariff recovered on account of variation in projected capitalization in the tariff order vis-a-vis trued up capitalization due to reasons beyond the control of the Distribution Licensee i.e., delay in ‘In-principle’ approval of the schemes, road cutting permission from the concerned agencies etc., shall be adjusted in the Revenue Gap/Surplus of the relevant year along with interest rate equal to bank rate prevalent on 1st April of respective year.***

***Any shortfall in tariff recovered on account of variation in projected capitalization in the tariff order vis-a-vis trued up capitalization by more than 10% during the year, shall be adjusted in the Revenue Gap/Surplus of the relevant year along with interest rate at 0.80 times of the bank rate prevalent on 1st April of respective year”***

The Commission observes that the regulatory provision has been interpreted by the discoms in a different perspective. It provides for the case, where there is any excess/shortfall in tariff recovered on account of variation in projected capitalization. However, as per the books of accounts, there is no such excess tariff recovered or shortfall in tariff recovered, as stated by the licensee. The tariff as approved by the Commission was recovered by the distribution licensee for different category of sales. DHBVNL has incurred capital expenditure of Rs 1658.36 crore during the FY 2024-25 as against Rs 1276 crore approved by the Commission. So, no concern of under/excess recovery exists. In view of above, the amount claimed as the impact of overachievement of capitalization target is disallowed.

Further, the discoms have submitted that there is unpaid RE-Subsidy for FY 2021-22. And the adjustment of the unpaid agriculture subsidy on account of Truing Up of FY 2021-22 with the ROE allowed for FY 2024-25 would be detrimental to the non-agriculture category consumers. The discoms have further requested that keeping the above appropriate direction in pursuance to Section 65 may be issued to meet the unpaid subsidy for FY 2021-22. The State Govt. has directed that the same shall be met by the Discoms on its own. **Seeing the financial commitment made by the State Government, in accordance with section 65 of the EA Act 2003, the unpaid subsidy of Rs 190.54 Crores for FY 2021-22 has to be paid by the State Government along with the true-up subsidy for the FY 2024-25. The discoms are already in financial stress due to the delayed recovery of FPPAs for FY 2022-23, FY 2023-24 and FY 2024-25. Therefore, in line with the provisions of section 65 of the Electricity Act, there has to be commitment from State Government and the payment of subsidy has to be made in advance.**

The Commission, vide its order dated 05.03.2024, had quantified RE subsidy of Rs. 5941.17 Crore payable by the State Government to the Discoms for the FY 2024-25 based on an estimated CoS of Rs. 6.48 (CoS on LT supply) per unit for A.P. Tube well supply of 9325.21 MU. As the total ARR has now been revised on account of True-up of

the FY 2024-25 and the quantum of power supplied to AP consumers during the FY 2024-25 has also been revised from 9325.21 Mus to 9592.91 Mus. Hence, the subsidy for the AP Tube well supply payable by the State Government, to keep the tariff at the existing subsidized levels, also needs to be revised to reflect the corresponding changes in the quantum and cost of the AP tube-well consumers. As per the audited accounts, total subsidy including AP subsidy on this account for power supplied by discoms during the FY 2024-25 is Rs. 6131.678 crores for AP subsidy and Rs 388.16 crore for other subsidy, making it Rs 6519.83 crore. Accordingly, based on the true-up of expenses for the FY 2024-25 and revised approval of AP sales for the year, the Commission observes that revised subsidy for AP supply works out to Rs. 6560.88 crores.

Based on the true up of costs, the Discoms have ended the year with a gap of Rs. 4686.30 crores as determined below: -

Revenue (Gap)/Surplus of FY 2023-24 and its holding cost for 1.5 years has not been considered during the true up of FY 2024-25. The same shall be considered during the true up of FY 2025-26, as it was considered during the calculation of Revenue Gap/Surplus during the tariff determination for FY 2025-26.

**Approved Revenue Gap during True up 2024-25- UHBVNL and DHBVNL**

| Total ARR for FY 2024-25                             |           | As per Order-05.03.2024 | Proposed True-up | Discoms True-up Approved | UHBVN true up Approved | DHBVNL true up Approved |
|------------------------------------------------------|-----------|-------------------------|------------------|--------------------------|------------------------|-------------------------|
| UHBVNL                                               | Rs. Crore | 18620.91                | 20,387.45        | 20017.31                 | 20017.31               | -                       |
| DHBVNL                                               | Rs. Crore | 25642.36                | 28,007.31        | 27234.36                 | -                      | 27,234.36               |
| Total ARR for FY 2024-25 (A)                         | Rs. Crore | 44263.27                | 48394.76         | 47251.67                 | 20017.31               | 27234.36                |
| Revenue at current tariff on intrastate sale         | Rs. Crore | 35076.89                | 31635.94         | 31635.94                 | 13,333.61              | 18,302.32               |
| Revenue from FSA receivable from Non-AP consumers    |           |                         | 1681.24          | 1419.58                  | 582.59                 | 836.99                  |
| -Revenue from FSA receivable - all consumer category | Rs. Crore |                         | 1681.24          | 1681.24                  | 689.98                 | 991.26                  |
| -Revenue from FSA receivable- AP category            | Rs. Crore |                         |                  | 261.66                   | 107.39                 | 154.27                  |
| Revenue from Interstate sale                         | Rs. Crore |                         | 2800.30          | 2800.30                  | 1117.82                | 1682.48                 |

| <b>Total ARR for FY 2024-25</b>                                                   |                  | <b>As per Order-05.03.2024</b> | <b>Proposed True-up</b> | <b>Discoms True-up Approved</b> | <b>UHBVN true up Approved</b> | <b>DHBVNL true up Approved</b> |
|-----------------------------------------------------------------------------------|------------------|--------------------------------|-------------------------|---------------------------------|-------------------------------|--------------------------------|
| <b>Total Revenue (B)</b>                                                          | <b>Rs. Crore</b> | <b>35076.89</b>                | <b>36117.48</b>         | <b>35855.82</b>                 | <b>15034.03</b>               | <b>20821.79</b>                |
| Total Sales for FY 2024-25 (C)                                                    | MU               | 61271.84                       | 36117.48                | 60064.70                        | 25199.54                      | 34832.23                       |
| Average Cos for 2024-25 (E= A/C*10)                                               | Rs per unit      | 7.22                           |                         | 7.87                            | 7.87                          | 7.87                           |
| COS at LT level (F)                                                               | Rs per unit      | 6.48                           |                         |                                 |                               |                                |
| Adjusted Cost of Supply for AP consumers (G)                                      | Rs per unit      |                                |                         | 7.06                            | 7.06                          | 7.06                           |
| AP sales for the FY2024-25 (H)                                                    | MU               | 9325.21                        |                         | 9592.91                         | 4032.34                       | 5560.57                        |
| Revenue from AP sales (I)                                                         | Rs. Crore        | 100.04                         |                         | 208.36                          | 103.37                        | 104.99                         |
| Subsidy for AP supply at LT COS (J= (H*G)-I)                                      | Rs. Crore        | 5941.17                        |                         | 6560.88                         | 2742.05                       | 3818.83                        |
| Actual AP Subsidy received in the FY 2024-25                                      | Rs. Crore        |                                | 6131.67                 | 6,131.67                        | 2,589.40                      | 3,542.27                       |
| Balance AP subsidy receivable for the FY 2024-25                                  | Rs. Crore        |                                |                         | 429.21                          | 152.65                        | 276.56                         |
| Subsidy for other consumers (K, as per audited)                                   | Rs. Crore        | 0.00                           | 388.17                  | 388.16                          | 161.03                        | 227.14                         |
| <b>Total revenue incl Subsidy (B+J+K)</b>                                         | <b>Rs. Crore</b> | <b>41018.06</b>                | <b>42637.32</b>         | <b>42804.86</b>                 | <b>17937.11</b>               | <b>24867.76</b>                |
| <b>Revenue surplus/(Gap) for FY 2024-25 at current tariff</b>                     | <b>Rs. Crore</b> | <b>-3245.21</b>                | <b>-5757.44</b>         | <b>-4446.81</b>                 | <b>-2080.20</b>               | <b>-2366.60</b>                |
| Less: Impact due to overachievement of capitalization target                      | Rs. Crore        |                                | -16.61                  | 0                               | 0                             | 0                              |
| Revenue (Gap)/Surplus of FY 2022-23 (Allowed Under Review Order Dated 02.09.2024) | Rs. Crore        |                                | -212.46                 | -212.46                         | -87.11                        | -125.35                        |
| Holding Cost for 1.5 years                                                        | Rs. Crore        |                                | -27.09                  | -27.09                          | -11.11                        | -15.98                         |
| Revenue (Gap)/Surplus of FY 2023-24                                               | Rs. Crore        |                                | 721.72                  |                                 |                               |                                |
| Holding Cost for 1.5 years                                                        | Rs. Crore        |                                | 30.67                   |                                 |                               |                                |
| <b>NET (GAP)/SURPLUS</b>                                                          | <b>Rs. Crore</b> |                                | <b>-5261.21</b>         | <b>-4686.35</b>                 | <b>-2178.42</b>               | <b>-2507.93</b>                |

## CHAPTER 4

### Annual Performance Review (APR) for FY 2025-26

#### 4.1 Background

The Discoms have submitted that the Hon'ble Commission for the Third Control Period issued the HERC (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff framework) Regulations, 2024 on 22nd October 2024 (hereinafter referred as "MYT Regulation 2024") applicable for the period from FY 2025-26 to FY 2029-30. The Second MYT Control Period was governed under MYT Regulations 2019 and was applicable for the period from FY 2020-21 to FY 2024-25. The same was amended further on 25.11.2019, 31.01.2022 and 12.04.2023.

Further, the Hon'ble Commission, on 22nd October 2024 has notified HERC (Terms and conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) Regulations, 2024 (hereinafter referred as "HERC MYT Regulation 2024") for Third Control Period from FY 2025-26 to FY 2029-30. Regulation 11.5 of the HERC MYT Regulations, 2024 provides specifies the provision for Annual Performance Review (APR). The relevant extract of the Regulation is provided as under:-

*"11. Mid -Year Performance Review and Tariff Setting*

*11.5. The scope of the mid-year performance review shall be a comparison of the performance of the generation company and the licensees for the relevant financial year with the approved forecast of ARR for their respective businesses and the performance targets specified by the Commission. Upon completion of the mid-year performance review and truing up as per Regulation 13, the Commission shall pass an order recording:*

- (a) The revised approved ARR for such financial year including approved modifications, if any;*
- (b) The approved aggregate gain or loss on account of controllable items and sharing of such gains or losses;*
- (c) Truing-up or pass through of uncontrollable items of ARR of previous year(s);*
- (d) Pass through of variations in controllable items due to force majeure events, if any.*
- (e) Pass through of variations in controllable items attributable to uncontrollable factors.*
- (f) Tariff applicable for the ensuing year."*

Tariff Order on ARR and Retail Supply & Distribution Tariff for FY 2025-26 was issued by the Hon'ble Commission on 28.03.2025.

In line with the above, the Discoms have submitted Annual Performance Review of ARR for FY 2025-26. The Petitioner(s) have considered actual data for first half and projected the figures for the balance years based on the past trends in the previous financial years. The Projected ARR for APR Year vis-a-vis approved expenses is submitted for the approval of Hon'ble Commission by the petitioner(s).

## 4.2 Energy Sales

### UHBVNL

UHBVN estimated the revised sales for FY 2025-26 based on actual sales for the first half of the FY and projected sales of the second half of the FY. Energy sales for second half is projected based on CAGR and actual sales of corresponding period in FY 2024-25. The revised estimates of category wise energy sales vis-a-vis approved for FY 2025-26 are shown in the table below: -

Category wise Energy Sales for FY 2025-26 (in MUs)

| Category             | Approved for FY 2025-26 | Actual for FY 2024-25 (H2) | Actual for FY 2025-26 (H1) | CAGR Selected |        | Projection for FY 2025-26 (H2) | Projection for FY 2025-26 |
|----------------------|-------------------------|----------------------------|----------------------------|---------------|--------|--------------------------------|---------------------------|
|                      |                         |                            |                            | Year          | Rate   |                                |                           |
| Domestic             | 8493.24                 | 3,022.41                   | 4,746.91                   | 5-Yr CAGR     | 7.42%  | 3,246.75                       | 7,993.66                  |
| HT Industry          | 10057.36                | 4,783.79                   | 4,755.29                   | 5-Yr CAGR     | 9.76%  | 5,250.71                       | 10,006.00                 |
| LT Industry          | 2673.08                 | 1,291.59                   | 1,761.43                   | 5-Yr CAGR     | 4.31%  | 1,347.31                       | 3,108.74                  |
| Lift Irrigation      | 51.79                   | 22.02                      | 22.00                      | Manual        | 2.00%  | 22.46                          | 44.46                     |
| Agriculture          | 3635.62                 | 1,323.91                   | 2,082.08                   | Manual        | 5.00%  | 1,386.91                       | 3,468.99                  |
| Bulk Supply          | 367.95                  | 157.26                     | 176.57                     | 5-Yr CAGR     | 5.15%  | 165.35                         | 341.92                    |
| Bulk Sup-Domestic    | 81.16                   | 34.46                      | 48.42                      | 5-Yr CAGR     | 2.39%  | 35.28                          | 83.70                     |
| Street-Light         | 77.72                   | 35.24                      | 32.67                      | Manual        | 2.00%  | 35.94                          | 68.61                     |
| PWW                  | 661.90                  | 303.77                     | 319.54                     | 5- Yr CAGR    | 2.96%  | 312.76                         | 632.30                    |
| Agro Industry        | 4.55                    | 4.47                       | 3.73                       | Manual        | 10.00% | 4.91                           | 8.65                      |
| EV Charging Stations | 1.45                    |                            | 0.24                       | Manual        | 10.00% | 0.29                           | 0.53                      |
| <b>Total</b>         | <b>26,105.83</b>        | <b>10,978.66</b>           | <b>13,948.88</b>           |               |        | <b>11,808.67</b>               | <b>25,757.55</b>          |

Energy sales for the Agriculture, Lift Irrigation, Street Lighting, Agro Industry and EV Changing Stations have been increased on manual basis, as shown above. For rest of the consumer categories, Energy Sales is based on scientific basis of 5-year CAGR. A notional

escalation rate of 2% has been considered for Street Lighting category and 10% for EV Charging Stations and Agro Industry over the second half of FY 2024-25.

UHBVNL prayed that the revised estimates of the category wise energy sales as submitted in the above table may be approved for FY 2025-26.

#### **DHBVNL**

Energy Sales of 36,138.85 MU was approved for DHBVN as per Tariff Order dated 28<sup>th</sup> March 2025. DHBVN on the basis of actual sales of first six months 19,401.88 MU estimates total energy sales of 37,127.54 MU for FY 2025-26.

DHBVN has estimated the revised sales for FY 2025-26 on the basis of actual sales for the first half and projected sales of the second half. Energy sales for the second half have been projected on the basis of 3 to 7 years CAGR of actual sales of corresponding period in the past years.

Category wise energy sales approved vis-a-vis revised projection of DHBVN for FY 2025-26 are tabulated as under: -

**Category wise Energy Sales for FY 2025-26**

| S. No. | Particulars        | FY 2025-26       |                  |           |          |                     |                       |
|--------|--------------------|------------------|------------------|-----------|----------|---------------------|-----------------------|
|        |                    | Approved (MU)    | Actual (H1) (MU) | CAGR Year | CAGR (%) | Projected (H2) (MU) | Revised Estimate (MU) |
| 1      | Domestic           | 10,766.29        | 6,152.76         | 5 Year    | 10%      | 4,817.22            | 10,969.98             |
| 2      | HT – Supply        | 12,884.45        | 6,586.06         | 7 Year    | 9%       | 6,335.54            | 12,921.60             |
| 3      | LT – Supply        | 3,879.72         | 2,284.01         | 5 Year    | 6%       | 1,924.09            | 4,208.10              |
| 4      | Agriculture/FPO    | 3.80             | 9.01             | Manual    | 10%      | 4.51                | 13.51                 |
| 5      | Agriculture        | 5,668.65         | 2,951.46         | 3 Year    | 5%       | 3,292.14            | 6,243.60              |
| 6      | Bulk Supply        | 1,801.72         | 851.96           | 5 Year    | 9%       | 790.87              | 1,642.83              |
| 7      | Lift Irrigation    | 226.04           | 122.81           | Manual    | 2%       | 102.26              | 225.07                |
| 8      | Street Lightning   | 101.72           | 47.12            | 7 Year    | 2%       | 56.81               | 103.93                |
| 9      | Public Water Works | 806.46           | 396.71           | 5 Year    | 3%       | 402.22              | 798.93                |
| 10     | <b>Total</b>       | <b>36,138.85</b> | <b>19,401.88</b> |           |          | <b>17,725.66</b>    | <b>37,127.54</b>      |

DHBVNL requested the Commission to approve the category wise energy sales for FY 2025-26 as projected above.

#### **4.3 Transmission Losses**

Both the petitioner(s) submitted that the Interstate transmission losses of 3.65% based on actual losses in FY 2024-25 as per Grid INDIA and intrastate transmission losses as 1.95% at



the same level as approved by the Hon'ble Commission in Tariff Order dtd. 28.03.2025 has been considered for FY 2025-26.

#### **4.4 Distribution Losses**

##### **UHBVNL**

In the past few years there has been significant growth in LT Supply due to significant growth in the consumption of LT Supply Categories, so, the Distribution Losses in the FY 2025-26 has been proposed at loss level of 10.00% which is same as approved by the Hon'ble Commission in Tariff Order dtd. 28.03.2025 for FY 2025-26. UHBVNL has requested that the distribution loss level as proposed above may kindly be approved for FY 2025-26.

##### **DHBVNL**

DHBVN has reduced Distribution losses by 6.67% over a span of five years i.e., from 16.93% in FY 2020-21 to 10.26% FY 2024-25. DHBVN has implemented various system strengthening schemes and feeder sanitization scheme for reduction of line losses.

In FY 2024-25, DHBVN has achieved distribution loss level of 10.26% against 11.38% in FY 2023-24 hence achieved significant reduction of 1.12% over the previous year. The Hon'ble Commission has approved distribution loss target of DHBVN at 10.00% for FY 2025-26. DHBVN endeavor to achieve the loss targets fixed by the Hon'ble Commission and working aggressively towards the same. Initiatives undertaken by DHBVN are of long term in nature and full impact will be visible after completion of such works.

In view of the above, DHBVNL requested to consider the distribution loss level of DHBVN for FY 2025-26 at level of 10.00%.

#### **4.5 Transmission Charges**

##### **UHBVNL**

Interstate Transmission (ISTS) charges of Rs. 890.21 Crores was allowed to UHBVN for FY 2025-26. Nigam is proposing Rs. 1,116 Crores for FY 2025-26 with escalation of 3% over the actual ISTS Charges paid in FY 2024-25, subject to True-Up.

Intrastate Transmission (InSTS) charges of Rs. 1,123.66 Crores was approved by Hon'ble Commission and Rs. 936.55 Crores has been proposed by UHBVN for FY 2025-26 with escalation of 2.5% over the actual InSTS Charges paid in FY 2024-25. It has been observed

that InSTS Charges have increased with a CAGR of 2% over the last 3 FYs, i.e., from FY 2021-22 to FY 2024-25.

#### **DHBVNL**

Interstate Transmission (ISTS) charges of Rs. 1,410.09 Crores was allowed to DHBVN for FY 2025-26. DHBVN is proposing the Rs. 1,448.83 Crores for FY 2025-26 with escalation of 3% over the actual ISTS Charges paid in FY 2024-25, subject to True-Up. It has been observed that ISTS Charges have increased with a CAGR of 2% over the last 3 FYs, i.e., from FY 2021-22 to FY 2024-25.

Intrastate Transmission (InSTS) charges of Rs. 1,325.43 Crores was approved by Hon'ble Commission and Rs. 1,105.53 Crores has been proposed by DHBVN for FY 2025-26 with escalation of 2.5% over the actual InSTS Charges paid in FY 2024-25.

#### **4.6 Power Purchase Cost**

The petitioners submitted that HPPC procures power for Haryana Discoms. Power is procured primarily from the long term tied up approved generating stations. Largely, Haryana Discoms have allocations from Central Generating Stations like NTPC, NHPC, NPCIL & UMPP, State Shared Projects like HPGCL, BBMB & SJVNL and IIP, like Adani Power, Lanco Power, GMR and others. Arrangement of power under short term agreement is also made after approval of the Hon'ble Commission.

Revised estimates of power purchase cost for FY 2025-26, has been calculated based on the Power Purchase Quantum arrived at using average PLF of existing generating plants in last five years. Further, upcoming Generating Plants in H2 of FY 2025-26 have also been considered for projecting the Power Purchase Quantum of FY 2025-26 using normative PLF. Energy rate for FY 2025-26 have been considered same as actual billed till Sept'25 or with escalation of 4% over the actual Billed in FY 2024-25, whichever is higher. Fixed Charges for FY 2025-26 have been considered based on actual billed in H1 of FY 2025-26 or with escalation of 2% on the actual fixed charges paid to generators in FY 2024-25, whichever is higher. It has been observed that Energy and Fixed rates (per unit) have increased with a CAGR of 5% and 2% respectively over the last 3 FYs, i.e., from FY 2021-22 to FY 2024-25. For upcoming Plants, Energy and Fixed rates as discovered under Competitive Bidding process and as approved by the appropriate Commission have been considered for FY 2025-26.

Power purchase cost is allocated between Haryana Discoms to their proportion to the energy requirement at the state periphery. The Principle of the Merit Order Dispatch (MOD) has been applied for estimating the energy availability from long term tied-up generating sources. Further, the Minimum Technical Permissible limit of the thermal/gas generating stations has been undertaken for estimating the energy availability. The energy surplus created on monthly basis has been considered as banked power and availed back in the months having power deficit.

#### **UHBVNL**

The power purchase cost of UHBVNL including interstate and intrastate transmission charges works out to Rs. 16,828.24 Crore for FY 2025-26. The details of the same has been tabulated as under: -

#### **UHBVNL proposed Power Purchase Cost Summary for FY 2025-26 (Rs Crs)**

| <b>Particulars</b>               | <b>Approved</b>  | <b>Projected</b> |
|----------------------------------|------------------|------------------|
| Power Purchase Cost              | 14,207.71        | 14,775.71        |
| Interstate Transmission Charges  | 890.21           | 1,115.99         |
| Intrastate Transmission Charges  | 1,123.66         | 936.55           |
| <b>Total Power Purchase Cost</b> | <b>16,221.58</b> | <b>16,828.24</b> |

#### **DHBVNL**

The power purchase cost of DHBVNL including interstate and intrastate transmission charges out to Rs. 23852.41 Crore for FY 2025-26 as under: -

| <b>S. No.</b> | <b>Particulars</b>               | <b>FY 2025-26 (Projected)</b> |
|---------------|----------------------------------|-------------------------------|
| 1             | Power Purchase Cost              | 21,298.05                     |
| 2             | Inter-State Transmission Cost    | 1,448.83                      |
| 3             | Intra-State Transmission Cost    | 1,105.53                      |
|               | <b>Total Power Purchase Cost</b> | <b>23,852.41</b>              |

DHBVNL has prayed that the Commission may approve the above power purchase cost for FY 2025-26 as submitted.

### **4.7 Energy Balance**

Energy balance is worked out by considering the energy availability of generating stations at state periphery and grossed up energy requirement at state periphery. Haryana Discoms have considered transmission and distribution losses proposed above for working of energy availability and requirement at state periphery.

Energy balance after matching energy requirement with availability at state periphery is deemed as surplus power. As per the prevailing practice of the petitioner, surplus power is first banked with the neighboring states and states having power deficit and thereafter balance surplus power is sold in power exchange at average variable power purchase cost to optimize the power purchase expense. However, for the purpose of projections, surplus power is assumed to be sold at the average variable power purchase cost.

#### UHBVNL

The detailed calculation for UHBVNL is tabulated as follows:-

| Particulars                                        | Approved         | Projected        |
|----------------------------------------------------|------------------|------------------|
| Energy Sales (Mus)                                 | 26,105.83        | 25,757.55        |
| T&D loss (%)                                       | 10.00%           | 10.00%           |
| Energy Input at DISCOM Periphery (Mus)             | 29,006.48        | 28,619.50        |
| <b>Intra-state Transmission loss (%)</b>           | <b>1.95%</b>     | <b>1.95%</b>     |
| <b>Energy input at state Periphery (Mus)</b>       | <b>29,583.35</b> | <b>29,188.68</b> |
|                                                    |                  |                  |
| <b>Total energy available (Ex bus)</b>             | <b>33,402.73</b> | <b>32,849.82</b> |
| Interstate power purchase considering MoD (Mus)    | 20,727.06        | 21,579.19        |
| <b>Interstate sale /Banking</b>                    | <b>3206.14</b>   | 2,982.36         |
| Interstate power purchase net of interstate sale   | 17,520.92        | 18,596.83        |
| <b>Interstate transmission loss (%)</b>            | <b>3.50%</b>     | <b>3.65%</b>     |
| Interstate Power purchase at State periphery (Mus) | 16,907.69        | 17,918.05        |
| Intrastate power purchase considering MoD (Mus)    | 12,675.67        | 11,270.63        |
| <b>Power purchase at state periphery (Mus)</b>     | <b>29,583.35</b> | <b>29,188.68</b> |

UHBVNL has requested the Commission that the revised energy balance for FY 2025-26 may be approved.

#### DHBVNL

The revised energy balance of DHBVN for FY 2025-26 is summarized as under: -

##### Energy Availability for FY 2025-26 (MU)

| S. No. | Particulars                      | Unit | FY 2024-25 |
|--------|----------------------------------|------|------------|
| 1      | Energy Sales to the Consumers    | MU   | 37,128     |
| 2      | T&D Loss                         | %age | 10.00%     |
| 3      | Energy Input at DISCOM Periphery | MU   | 41,253     |
| 4      | Intra-State Transmission Losses  | %age | 1.95%      |
| 5      | Energy Input at State Periphery  | MU   | 42,073     |
|        |                                  |      |            |

| S. No. | Particulars                                   | Unit      | FY 2024-25    |
|--------|-----------------------------------------------|-----------|---------------|
| 6      | Total Energy Available                        | MU        | 47,351        |
| 7      | Inter-State Power Purchase considering MoD    | MU        | 31,105        |
| 8      | Inter-State Transmission Losses               | %age      | 3.65%         |
| 9      | Inter-State Power Purchase at State Periphery | MU        | 29,968        |
| 10     | Intra-State Power Purchase considering MoD    | MU        | 16,246        |
| 11     | <b>Power Purchase at State Periphery</b>      | <b>MU</b> | <b>46,214</b> |
| 12     | <b>Surplus</b>                                | <b>MU</b> | <b>4,141</b>  |

DHBVN has prayed to approve the revised energy balance for FY 2025-26.

#### 4.8 Capital Expenditure

##### UHBVNL

The Hon'ble Commission in Tariff Order dated 28.03.2025 has approved Capital Expenditure Plan Rs 1500 Crores of UHBVN for FY 2025-26. UHBVNL submitted the same Capital Expenditure Plan of Rs. 1,500 Crores for FY 2025-26. Scheme wise estimated Capex Plan for FY 2025-26 is as follows.

##### Capital Expenditure Plan for FY 2025-26 (Rs Crore)

| Sr. No.  | Description of Project / Scheme / work                                                                                                                 | Proposed CAPEX |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| <b>A</b> | <b>PD&amp;C Wing</b>                                                                                                                                   |                |
| 1        | Creation of new 33 kV sub-stations along with Spill Over and associated 33 kV & 11 kV lines including civil works / Normal development (33 kV & 11 kV) | 143.78         |
| 2        | Augmentation of existing 33 kV sub-stations including civil works                                                                                      | 42.30          |
| 3        | Augmentation of existing 33 kV lines                                                                                                                   | 3.70           |
| 4        | Release of tube well connections on Turnkey Basis                                                                                                      | 115.65         |
| 5        | Civil Works other than substation buildings                                                                                                            | 39.43          |
| 6        | RDSS (Revamped Distribution Sector Scheme)                                                                                                             | 256.98         |
| 7        | 11 kV & other works and APVDS                                                                                                                          | 238.65         |
| 8        | Shifting of 11/33 kV Dangerous line passing over residential areas                                                                                     | 12.79          |
| 9        | EV Charging Station                                                                                                                                    | 0.15           |
|          | <b>Total A</b>                                                                                                                                         | <b>853.43</b>  |
| <b>B</b> | <b>IT Wing</b>                                                                                                                                         |                |
| 10       | IT/OT Works                                                                                                                                            | 6.44           |
|          | <b>Total B</b>                                                                                                                                         | <b>6.44</b>    |
| <b>C</b> | <b>MM Wing</b>                                                                                                                                         |                |
| 11       | Material required for release of Non-AP connections & replacement of old assets / system improvement & normal development                              | 640.13         |
|          | <b>Total C</b>                                                                                                                                         | <b>640.13</b>  |
|          | <b>Gross proposed Capex (A+B+C)</b>                                                                                                                    | <b>1,500</b>   |

Capital Expenditure Plan is funded from debt availed from financial institution like REC, PFC and other, consumer contribution and equity support provided by the State Govt. For

allocation of funding of revised estimated Capital Expenditure of FY 2025-26, UHBVN has assumed Rs 30 Cr, Rs 294 Cr and Rs 1,176 Cr for Consumer Contribution, Equity and Debt respectively.

#### DHBVNL

The Hon'ble Commission in Tariff Order dated 28th March, 2025 had approved Capital Expenditure Plan of Rs. 1,900.00 Crores for FY 2025-26 for DHBVN. DHBVNL submitted that the Petitioner is submitting the progress of Capex for the first half of FY 2025-26 along with revised Capex projections for second half of FY 2025-26.

#### Capital Expenditure for FY 2025-26 (Rs. Crore)

| S. No.   | Description                                                                                                                                                                                                                                    | Approved CAPEX for FY 2025-26 | Actual CAPEX for (Apr'25 to Sept'25) | Likely CAPEX for Oct'25 to Mar'26 | Total Likely CAPEX for FY 2025-26 |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|--------------------------------------|-----------------------------------|-----------------------------------|
| <b>A</b> |                                                                                                                                                                                                                                                |                               |                                      |                                   |                                   |
| 1        | Creation of new 33 kV substations along with associated 33 kV & 11 kV lines                                                                                                                                                                    | 100.00                        | 70.63                                | 87.89                             | 158.52                            |
| 2        | Augmentation of existing 33 kV substations                                                                                                                                                                                                     | 80.00                         | 46.80                                | 56.78                             | 103.58                            |
| 3        | Augmentation of existing 33 kV lines                                                                                                                                                                                                           | 20.00                         | 14.81                                | 7.27                              | 22.08                             |
| 4        | Release of Tube well connection on turnkey basis                                                                                                                                                                                               | 100.00                        | 80.20                                | 102.85                            | 183.05                            |
| 5        | Civil allied works other than substation works                                                                                                                                                                                                 | 50.95                         | 11.04                                | 39.91                             | 50.95                             |
| 6        | Double source of 33 kV supply/change of feeding source of 33 kV substation                                                                                                                                                                     | 10.00                         | 2.67                                 | 1.51                              | 4.18                              |
| 7        | RDSS (Revamped Distribution Sector Scheme)                                                                                                                                                                                                     | 460.00                        | 194.44                               | 265.56                            | 460.00                            |
| 8        | Power Factor Improvement (Providing automatic power factor correctors)                                                                                                                                                                         | 30.00                         | 6.20                                 | 23.80                             | 30.00                             |
|          | <b>Total (A)</b>                                                                                                                                                                                                                               | <b>850.95</b>                 | <b>426.79</b>                        | <b>585.57</b>                     | <b>1,012.36</b>                   |
| <b>B</b> |                                                                                                                                                                                                                                                |                               |                                      |                                   |                                   |
| 1        | Construction of New Solar Plants                                                                                                                                                                                                               | 35.00                         | 0.00                                 | 32.00                             | 32.00                             |
| 2        | Smart Metering/Smart City Project Gurugram                                                                                                                                                                                                     | 455.01                        | 28.00                                | 77.00                             | 105.00                            |
| 3        | ERP System                                                                                                                                                                                                                                     | 15.05                         | 0.00                                 | 0.70                              | 0.70                              |
| 4        | Development of New and Upgradation of existing Applications/Software                                                                                                                                                                           | 36.29                         | 2.13                                 | 3.00                              | 5.13                              |
| 5        | Purchase & upgradation of IT Hardware/Solutions (e. g. servers and allied Data Centre Hardware/solution, field equipment etc.)                                                                                                                 | 27.70                         | 0.22                                 | 7.08                              | 7.30                              |
|          | <b>Total (B)</b>                                                                                                                                                                                                                               | <b>569.05</b>                 | <b>30.35</b>                         | <b>119.78</b>                     | <b>150.13</b>                     |
| <b>C</b> |                                                                                                                                                                                                                                                |                               |                                      |                                   |                                   |
| 1        | Material required for release of connections, replacement of old assets / system improvement including material for MGJG/LRP/RDSS works etc & normal development including providing of power transformers for augmentation of substation etc. | 300.00                        | 215.58                               | 235.42                            | 451.00                            |
|          | <b>Total (C)</b>                                                                                                                                                                                                                               | <b>300.00</b>                 | <b>215.58</b>                        | <b>235.42</b>                     | <b>451.00</b>                     |

| S. No.   | Description                                                                                                                                                   | Approved CAPEX for FY 2025-26 | Actual CAPEX for (Apr'25 to Sept'25) | Likely CAPEX for Oct'25 to Mar'26 | Total Likely CAPEX for FY 2025-26 |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|--------------------------------------|-----------------------------------|-----------------------------------|
| <b>D</b> |                                                                                                                                                               |                               |                                      |                                   |                                   |
| 1        | Bifurcation of 11 kV feeders (Work of bifurcation of feeders, augmentation of ACSR).                                                                          | 50.00                         | 82.45                                | 50.75                             | 133.20                            |
| 2        | Mhara Gaon Jagmag Gaon scheme for rural area and feeder sanitization for Urban area/LRP/Replacement of iron pole etc. other than the works covered under RDSS | 100.00                        | 81.91                                | 41.40                             | 123.31                            |
| 3        | Shifting of dangerous 11/33 kV lines                                                                                                                          | 30.00                         | 6.40                                 | 23.60                             | 30.00                             |
|          | <b>Total (D)</b>                                                                                                                                              | <b>180.00</b>                 | <b>170.76</b>                        | <b>115.75</b>                     | <b>286.51</b>                     |
|          | <b>Gross proposed CAPEX (A+B+C+D)</b>                                                                                                                         | <b>1,900.00</b>               | <b>843.48</b>                        | <b>1,056.52</b>                   | <b>1,900.00</b>                   |

Capital Expenditure Plan is funded from debt availed from financial institutions like REC, PFC and others, consumer contribution and equity support provided by the State Govt. The table below represents the allocation of funding assumed by DHBVN in Capital Expenditure Plan for re-estimation of related expenditures for FY 2025-26.

**Funding of Capital Expenditure for FY 2025-26 (Rs. Crore)**

| S. No. | Particulars                      | Amount (in Cr)  |
|--------|----------------------------------|-----------------|
| 1      | Consumer Contribution and Grants | 220.45          |
| 2      | Equity                           | 380.00          |
| 3      | Debt                             | 1,299.55        |
|        | <b>Total</b>                     | <b>1,900.00</b> |

#### 4.9 Capital Work in Progress

##### UHBVNL

UHBVNL submitted that the Capitalization during the year is determined by assuming materialization of 40% of Opening Capital Work in Progress (CWIP) and 60% of CAPEX Plan proposed for FY 2025-26.

Interest during Construction (IDC) is calculated by considering the average interest rate on CAPEX loans on average CWIP for FY 2025-26 and is accounted to work out the average Capital Work in Progress. The summary of the same is tabulated as under:

**UHBVNL Summary of CWIP (Rs. Crore)**

| Particulars                        | FY 2025-26 (Approved) | FY 2025-26 (Projected) |
|------------------------------------|-----------------------|------------------------|
| Opening CWIP                       | 767.51                | 982.98                 |
| Addition during the financial year | 1,500.00              | 1,500.00               |
| <b>Capex Capitalized</b>           | <b>1,207.00</b>       | <b>1,293.19</b>        |
| Expenses and Interest capitalized  | 49.08                 | 93.53                  |
| <b>Closing CWIP</b>                | <b>1,109.59</b>       | <b>1,283.32</b>        |

##### DHBVNL

DHBVNL submitted that the Capitalisation during years is determined by assuming materialization of 50% of Opening Capital Work in Progress (CWIP) and 50% of CAPEX Plan proposed for FY 2025-26. Interest during construction (IDC) has been calculated by considering the average interest rate on CAPEX loans on the average of opening and closing CWIP for FY 2025-26.

Capitalisation of interest during construction is accounted for working out the Closing Capital Work in Progress for FY 2025-26. The summary of the same is tabulated as under:

**Summary of CWIP for FY 2025-26 (Rs. Crore)**

| S. No. | Particulars          | FY 2025-26      |
|--------|----------------------|-----------------|
| 1      | Opening CWIP         | 1,424.60        |
| 2      | Add: Capex           | 1,900.00        |
| 3      | Less: Capitalization | 1,660.96        |
| 4      | IDC                  | 162.13          |
| 5      | <b>Closing CWIP</b>  | <b>1,825.77</b> |

#### 4.10 Computation of Inflationary Indices

Indexation Factor is calculated as per Regulation 57.3 of MYT Regulation, 2024. Detailed calculation for determination of Inflation factor to reassess the O&M expenses for FY 2025-26 is tabulated as under:

**Inflation factor for WPI & CPI**

**WPI inflation**

| Month/Year        | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Average |
|-------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|---------|
| <b>FY 2025-26</b> | 154 | 153 | 153 | 154 | 155 | 155 |     |     |     |     |     |     | 154.35  |
| <b>FY 2024-25</b> | 153 | 154 | 154 | 155 | 154 | 155 | 156 | 156 | 155 | 155 | 155 | 154 | 154.86  |
| <b>FY 2023-24</b> | 151 | 149 | 149 | 152 | 153 | 152 | 153 | 153 | 152 | 151 | 151 | 151 | 151     |
| <b>FY 2022-23</b> | 152 | 155 | 155 | 154 | 153 | 152 | 153 | 153 | 151 | 151 | 151 | 151 | 153     |
| <b>FY 2021-22</b> | 132 | 133 | 134 | 135 | 136 | 137 | 141 | 144 | 143 | 144 | 145 | 149 | 139     |

**CPI Inflation**

| Month/Year        | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Average |
|-------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|---------|
| <b>FY 2025-26</b> | 413 | 414 | 417 | 421 | 423 | 424 |     |     |     |     |     |     | 419     |
| <b>FY 2024-25</b> | 401 | 403 | 407 | 411 | 411 | 412 | 416 | 416 | 413 | 412 | 411 | 411 | 410     |
| <b>FY 2023-24</b> | 387 | 388 | 393 | 402 | 401 | 396 | 399 | 401 | 400 | 400 | 401 | 400 | 397     |
| <b>FY 2022-23</b> | 368 | 372 | 372 | 374 | 375 | 378 | 382 | 382 | 381 | 382 | 382 | 384 | 378     |
| <b>FY 2021-22</b> | 346 | 347 | 351 | 354 | 354 | 355 | 360 | 362 | 361 | 360 | 360 | 363 | 356     |

Indexation factor works out to be 1.52% as per the methodology specified in MYT Regulations, 2024. Detailed calculation for determination of Inflation factor to re-estimate the O&M expenses for FY 2025-26 is tabulated as under:

| Inflation Faction                   | WPI    | CPI    | Total |
|-------------------------------------|--------|--------|-------|
| <b>Weightage</b>                    | 0.45   | 0.55   | 1.00  |
| <b>Avg. Indexation for FY 25-26</b> | 154.35 | 419.23 |       |



|                                             |              |        |        |
|---------------------------------------------|--------------|--------|--------|
| <b>Avg. Indexation n (Index * Wt.)</b>      | 69.46        | 230.58 | 300.04 |
| <b>Avg. Indexation for FY 24-25</b>         | 154.86       | 410.64 |        |
| <b>Avg. Indexation n-1 (Index * Wt.)</b>    | 69.69        | 225.85 | 295.54 |
| <b>Combined Inflation (Indxn. /Indxn-1)</b> | <b>1.52%</b> |        |        |

#### 4.11 Operation & Maintenance Expenses

##### UHBVNL

The Revised estimates of O&M expenses for FY 2025-26 on the basis of the information submitted above are shown in the table below:

##### UHBVNL Summary of O&M Expenses for FY 2025-26 (Rs. Crores)

| <b>Sr. No.</b> | <b>Particulars</b>                | <b>Approved T.O dated.<br/>28.03.2025</b> | <b>Projected</b> |
|----------------|-----------------------------------|-------------------------------------------|------------------|
| 1.             | Employee Expenses                 | 972.29                                    | 1,148.74         |
| 2.             | Administrative & General Expenses | 219.14                                    | 232.36           |
| 3.             | Repair & Maintenance Expenses     | 193.91                                    | 197.82           |
| 4.             | Terminal Benefit                  | 450.00                                    | 490.11           |
| 5.             | <b>Total</b>                      | <b>1,835.84</b>                           | <b>2,069.03</b>  |

UHBVNL prayed that the revised estimates of the O&M expenses as shown in the table above may be approved for FY 2025-26.

##### DHBVNL

Revised O&M expenses of DHBVN are estimated as Rs. 2,429.17 Crores for FY 2025-26 and element wise details is tabulated as under:

##### DHBVNL Summary of Revised O&M Expenses for FY 2025-26 (Rs. Crore)

| <b>S. No.</b> | <b>Particulars</b>                | <b>Approved T.O. dt.<br/>28.03.2025</b> | <b>FY 2025-26<br/>Revised</b> |
|---------------|-----------------------------------|-----------------------------------------|-------------------------------|
| 1             | Employee Expenses                 | 1,780.15                                | 1,955.86                      |
| 2             | Administrative & General Expenses | 220.31                                  | 210.30                        |
| 3             | Repair & Maintenance Expenses     | 263.10                                  | 263.01                        |
|               | <b>Total</b>                      | <b>2,263.56</b>                         | <b>2,429.17</b>               |

DHBVN prayed to allow the revised O&M expenses for FY 2025-26.

#### 4.12 Return on Equity (RoE)

##### UHBVNL

Return on Equity (RoE) for FY 2025-26 has been re-estimated as per the provisions specified in Regulation 20 of the HERC MYT Regulations, 2024. The re-estimated of RoE for FY 2025-26 are submitted in the table as follows:

##### UHBVNL Return on Equity for FY 2025-26 (Rs Crores.)

| Particulars                                            | Approved<br>T.O dated.<br>28.03.2025 | Projected     |
|--------------------------------------------------------|--------------------------------------|---------------|
| Opening Share Capital for Distribution & Retail Supply | 2,609.51                             | 2,531.87      |
| Add: Equity for Capex                                  | 300.00                               | 252.64        |
| Closing Equity                                         | 2,909.51                             | 2,784.50      |
| Average Equity (Equity eligible for RoE)               | 2,759.51                             | 2,658.19      |
| Rate of Return on Equity                               | 12.00%                               | 14%           |
| <b>Total Return on Equity</b>                          | <b>331.14</b>                        | <b>372.15</b> |

UHBVNL prayed that revised estimates of Return on Equity as shown in the table above may be allowed for FY 2025-26.

#### **DHBVNL**

Return on Equity (RoE) for FY 2025-26 has been re-estimated as per the provisions specified in Regulation 20 of the HERC MYT Regulations, 2024. The revised RoE for FY 2025-26 are submitted in the table as follows:

#### **DHBVNL Revised Return on Equity for FY 2025-26 (Rs. Crore)**

| S. No. | Particulars                                       | Approved T.O. dt.<br>28.03.2025 | Revised<br>RoE |
|--------|---------------------------------------------------|---------------------------------|----------------|
| 1      | Opening Equity                                    | 2,382.04                        | 2,204.60       |
| 2      | Add: Equity as per Regulation from Capitalization | 380.00                          | 166.10         |
| 3      | Closing Equity                                    | 2,762.04                        | 2,370.70       |
| 4      | Average Equity                                    | 2,572.04                        | 2,370.70       |
| 5      | Rate of Return on Equity                          | 12.00%                          | 12.00%         |
|        | <b>Return on Equity</b>                           | <b>308.65</b>                   | <b>284.48</b>  |

DHBVN prayed that the Commission may allow the revised Return on Equity for FY 2025-26.

### **4.13 Depreciation**

#### **UHBVNL**

Depreciation expense is worked out by considering Average Gross Fixed Assets (GFA) and asset class wise depreciation rates defined under Regulation 23 of MYT Regulations 2024. Asset wise addition in GFA for FY 2025-26 has been assumed in the same ratio of asset wise Opening Gross block as on 01.04.2024. Further, the depreciation on consumer contribution is adjusted to determine the revised estimates of depreciation expenses of UHBVN for FY 2025-26, as follows.

#### **UHBVNL Depreciation for FY 2025-26 (Rs Crores)**

| Particulars                 | GFA at the beg. of the year | Addition        | Assets retired | Closing GFA      | Depreciation rate | Depreciation  |
|-----------------------------|-----------------------------|-----------------|----------------|------------------|-------------------|---------------|
| Land & Land Rights          | 64.55                       | 7.60            | 0.00           | 72.15            | 0.00%             | -             |
| Buildings & Civil Structure | 681.77                      | 79.92           | -              | 761.69           | 3.34%             | 24.11         |
| Transmission/Distribution   | 10,406.47                   | 1,185.98        | 322.60         | 11,269.85        | 5.28%             | 572.25        |
| Vehicles                    | 23.25                       | 2.85            | -              | 26.10            | 9.50%             | 2.34          |
| Furniture & Fixture         | 32.63                       | 3.82            | 0.02           | 36.44            | 6.33%             | 2.19          |
| IT Equipment                | 97.95                       | 10.90           | 0.01           | 108.84           | 15.00%            | 15.51         |
| Software                    | 17.27                       | 2.12            | -              | 19.39            | 15.00%            | 2.75          |
| <b>Total</b>                | <b>11,323.89</b>            | <b>1,293.19</b> | <b>322.63</b>  | <b>12,294.45</b> | <b>5.27%</b>      | <b>619.15</b> |

Based on the above information, revised depreciation of UHBVN is re-estimated Rs 619.15 Crores (incl. assets funded through Consumer contribution) for FY 2025-26. UHBVNL requested that re-estimated depreciation to UHBVN for FY 2025-26, may be allowed as follows.

**UHBVNL Depreciation Summary for FY 2025-26 (Rs Crores)**

| Sr. No. | Particulars                                                                       | Approved         | Projected        |
|---------|-----------------------------------------------------------------------------------|------------------|------------------|
| 1       | Opening of GFA                                                                    |                  | 11,323.89        |
| 2       | Less: Assets towards Land                                                         |                  | 64.55            |
| 3       | Normative Opening GFA                                                             |                  | 11,259.34        |
| 4       | Add: Trfd from CWIP (Excl. Land)                                                  |                  | 1,285.59         |
| 5       | Less: Retirement/ Disposal of assets (Excl. Land)                                 |                  | 322.63           |
| 6       | Normative Closing GFA (Excl. Land)                                                |                  | 12,222.30        |
| 7       | <b>Average GFA (exc. Land)</b>                                                    | <b>11,051.60</b> | <b>11,740.82</b> |
| 8       | <b>Depreciation on the assets (tangible and intangible)</b>                       | <b>579.34</b>    | <b>619.15</b>    |
| 9       | Opening of Depreciation against Consumer Contribution & Grant                     |                  | 766.76           |
| 10      | Closing of Depreciation against Consumer Contribution & Grant                     |                  | 864.04           |
| 11      | Less: Depreciation of assets created by consumer contribution and grant/subsidies | 84.38            | 97.28            |
| 12      | <b>Depreciation</b>                                                               | <b>494.96</b>    | <b>521.87</b>    |
| 13      | <b>Average Depreciation rate</b>                                                  | <b>5.24%</b>     | <b>5.27%</b>     |

**DHBVNL**

Depreciation expense is worked out by considering Average Gross Fixed Assets (GFA) and asset class wise depreciation rates defined under Regulation 23 of MYT Regulations 2024. Asset wise addition in GFA for FY 2025-26 has been assumed in the same ratio of asset wise Opening Gross block as on 01.04.2024. Further, the depreciation on consumer contribution is adjusted to determine the revised estimates of depreciation expenses of DHBVN for FY 2025-26.

Revised depreciation of DHBVN is re-estimated Rs 602.44 Crores for FY 2025-26. DHBVNL requested that the re-estimated depreciation to DHBVN for FY 2025-26, may be allowed as follows:

**Revised Depreciation for FY 2025-26 (Rs. Crore)**

| S. No. | Particulars                          | Opening GFA      | Addition        | Disposal      | Closing GFA      | Revised Depreciation |
|--------|--------------------------------------|------------------|-----------------|---------------|------------------|----------------------|
| 1      | Land & Rights                        | 34.48            | -               | -             | 34.48            | -                    |
| 2      | Building & Civil Structure           | 480.77           | 40.70           | 0.86          | 520.61           | 16.72                |
| 3      | Plant & Machinery                    | 14,280.44        | 1,599.64        | 125.72        | 15,754.36        | 792.92               |
| 4      | Vehicles                             | 30.42            | -               | 0.09          | 30.33            | 2.89                 |
| 5      | Furniture & Fixture                  | 77.97            | 13.26           | 0.05          | 91.18            | 5.35                 |
| 6      | Software                             | 29.73            | 7.37            | -             | 37.09            | 5.01                 |
|        | <b>Total</b>                         | <b>14,933.81</b> | <b>1,660.96</b> | <b>126.72</b> | <b>16,468.05</b> | <b>822.89</b>        |
| 7      | Less: Depreciation on Assets from CC | -                | -               | -             | -                | 220.45               |
|        | <b>Total</b>                         | <b>14,933.81</b> | <b>1,660.96</b> | <b>126.72</b> | <b>16,468.05</b> | <b>602.44</b>        |

#### 4.14 Revenue Estimation

##### UHBVNL

Based on projected sales and applicable retail supply tariff, the revenue from sale of power of various categories of UHBVNL is tabulated as follows:

| Sr.No. | Category                   | Amount           |
|--------|----------------------------|------------------|
| 1      | Domestic                   | 4,334.03         |
| 2      | HT Industry                | 8,807.02         |
| 3      | LT industry                | 2,628.33         |
| 4      | Agriculture                | 52.99            |
| 5      | Lift irrigation            | 44.58            |
| 6      | Bulk supply                | 345.20           |
| 7      | Street lighting            | 50.43            |
| 8      | PWW and Others             | 516.69           |
| 9      | Agro Industries            | 4.11             |
| 10     | Electric Charging Stations | 0.37             |
| 11     | <b>Total Revenue</b>       | <b>16,783.95</b> |
| 12     | Fixed Charges              | 2,481.92         |
| 13     | Energy Charges             | <b>14,302.03</b> |
| 14     | Collection Efficiency      | <b>99.50%</b>    |
| 15     | <b>Revenue Realized</b>    | <b>16,700.03</b> |

##### DHBVNL

Revenue from sale of power is determined on basis of the projected sales and Category-wise revenue estimated from sale of power by DHBVNL is given below:

| S. No. | Category    | FY 2025-26 Revised |
|--------|-------------|--------------------|
| 1      | Domestic    | 6,328.40           |
| 2      | HT – Supply | 8,446.32           |
| 3      | LT – Supply | 2,800.63           |

| S. No. | Category                    | FY 2025-26 Revised |
|--------|-----------------------------|--------------------|
| 4      | Agriculture/FPO             | 6.42               |
| 5      | Agriculture                 | 35.30              |
| 6      | Bulk Supply                 | 1,081.11           |
| 7      | Lift Irrigation             | 165.43             |
| 8      | Street Lights               | 76.39              |
| 9      | Public Water Works          | 587.21             |
| 10     | <b>Total Energy Charges</b> | <b>19,527.21</b>   |
| 9      | Fixed Charges               | 3,498.19           |
| 10     | <b>Total Revenue</b>        | <b>23,025.40</b>   |
| 11     | Collection Efficiency       | 99.50%             |
| 12     | <b>Revenue Realised</b>     | <b>22,910.27</b>   |

#### 4.15 Aggregate Revenue Requirement for FY 2025-26

The revised estimate of Aggregate Revenue Requirement for APR year is tabulated as follows: -

##### UHBVNL proposed Aggregate Revenue Requirement for FY 2025-26 (Rs. Crore)

| Sr. No. | Particulars                                             | Approved         | Projected        |
|---------|---------------------------------------------------------|------------------|------------------|
| 1       | <b>Power Purchase Cost</b>                              | <b>22,403.88</b> | <b>23,852.41</b> |
| 1.1     | <i>Power Purchase Cost</i>                              | 19,668.36        | 21,298.05        |
| 1.2     | <i>Transmission Charges (PGCIL)</i>                     | 1,410.09         | 1,448.83         |
| 1.3     | <i>Transmission Charges (HVPN + SLDC)</i>               | 1,325.43         | 1,105.53         |
| 2       | <b>Operation &amp; Maintenance Expenses</b>             | <b>2,263.56</b>  | <b>2,429.17</b>  |
| 2.1     | <i>Employee Expenses (net)</i>                          | 1,072.80         | 1,326.60         |
| 2.2     | <i>Administration &amp; General Expenses (net)</i>      | 220.31           | 210.30           |
| 2.3     | <i>Repair &amp; Maintenance Expenses</i>                | 263.10           | 263.01           |
| 2.4     | <i>Terminal Benefits</i>                                | 707.35           | 629.26           |
| 3       | <b>Depreciation</b>                                     | <b>604.38</b>    | <b>602.44</b>    |
| 4       | <b>Interest &amp; Finance Charges</b>                   | <b>632.42</b>    | <b>1,110.91</b>  |
| 4.1     | <i>Interest on Long Term Loan</i>                       | 178.20           | 168.25           |
| 4.2     | <i>Interest on Working Capital</i>                      | 151.34           | 650.42           |
| 4.4     | <i>Interest on Consumer Security Deposit</i>            | 231.88           | 236.77           |
| 4.5     | <i>Other Interest &amp; Finance Charges</i>             | 71.50            | 55.26            |
| 4.6     | <i>Guarantee Fee</i>                                    | -                | 0.20             |
| 5       | <b>Return on Equity Capital</b>                         | <b>308.65</b>    | <b>284.48</b>    |
| 6       | <b>Prior period expenses &amp; Other expenses</b>       | -                | -                |
| 7       | <b>Bad &amp; Doubtful Debts</b>                         | -                | <b>115.13</b>    |
| 8       | <b>Aggregate Revenue Requirement</b>                    | <b>26,212.89</b> | <b>28,394.53</b> |
| 9       | <i>Less: Non-Tariff Income</i>                          | 185.67           | 306.82           |
| 10      | <b>Aggregate Revenue Requirement from Retail Tariff</b> | <b>26,027.22</b> | <b>28,087.72</b> |

**DHBVNL proposed Aggregate Revenue Requirement for FY 2025-26 (Rs. Crore).**

| S. No.    | Particulars                                             | FY 2025-26<br>(Approved) | FY 2025-26<br>(Projected) |
|-----------|---------------------------------------------------------|--------------------------|---------------------------|
| <b>1</b>  | <b>Power Purchase Cost</b>                              | <b>22,403.88</b>         | <b>23,852.41</b>          |
| 1.1       | Power Purchase Cost                                     | 19,668.36                | 21,298.05                 |
| 1.2       | Transmission Charges (PGCIL)                            | 1,410.09                 | 1,448.83                  |
| 1.3       | Transmission Charges (HVPN + SLDC)                      | 1,325.43                 | 1,105.53                  |
| <b>2</b>  | <b>Operation &amp; Maintenance Expenses</b>             | <b>2,263.56</b>          | <b>2,429.17</b>           |
| 2.1       | Employee Expenses (net)                                 | 1,072.80                 | 1,326.60                  |
| 2.2       | Administration & General Expenses (net)                 | 220.31                   | 210.30                    |
| 2.3       | Repair & Maintenance Expenses                           | 263.10                   | 263.01                    |
| 2.4       | Terminal Benefits                                       | 707.35                   | 629.26                    |
| <b>3</b>  | <b>Depreciation</b>                                     | <b>604.38</b>            | <b>602.44</b>             |
| <b>4</b>  | <b>Interest &amp; Finance Charges</b>                   | <b>632.42</b>            | <b>1,110.91</b>           |
| 4.1       | Interest on Long Term Loan                              | 178.20                   | 168.25                    |
| 4.2       | Interest on Working Capital                             | 151.34                   | 650.42                    |
| 4.4       | Interest on Consumer Security Deposit                   | 231.88                   | 236.77                    |
| 4.5       | Other Interest & Finance Charges                        | 71.50                    | 55.26                     |
| 4.6       | Guarantee Fee                                           | -                        | 0.20                      |
| <b>5</b>  | <b>Return on Equity Capital</b>                         | <b>308.65</b>            | <b>284.48</b>             |
| <b>6</b>  | <b>Prior period expenses &amp; Other expenses</b>       | <b>-</b>                 | <b>-</b>                  |
| <b>7</b>  | <b>Bad &amp; Doubtful Debts</b>                         | <b>-</b>                 | <b>115.13</b>             |
| <b>8</b>  | <b>Aggregate Revenue Requirement</b>                    | <b>26,212.89</b>         | <b>28,394.53</b>          |
| 9         | Less: Non-Tariff Income                                 | 185.67                   | 306.82                    |
| <b>10</b> | <b>Aggregate Revenue Requirement from Retail Tariff</b> | <b>26,027.22</b>         | <b>28,087.72</b>          |

#### 4.16 Revenue Gap

Based on the revised estimates for Aggregate Revenue Requirement, Haryana Discoms have proposed the details of revenue gap for the APR year tabulated as follows:

**UHBVNL and DHBVNL proposed Revenue Gap for FY 2025-26 (Rs Crore)**

| Particulars                                   | Approved<br>T.O dated.<br>28.03.2025 | UHBVN            | DHBVN            | Haryana          |
|-----------------------------------------------|--------------------------------------|------------------|------------------|------------------|
| <b>Total Aggregate Revenue Requirement</b>    | <b>45,366.03</b>                     | <b>20,280.72</b> | <b>28,087.72</b> | <b>48,368.43</b> |
| <b>Total Revenue</b>                          | <b>37,925.60</b>                     | <b>20,157.06</b> | <b>28,112.78</b> | <b>48,269.84</b> |
| Revenue from Intrastate sales / Sale of Power |                                      | 16,700.03        | 22,910.27        | 39,610.30        |
| Revenue from Interstate sales                 |                                      | 959.06           | 1,382.42         | 2,341.48         |
| Less: AP-Subsidy                              | 6718.71                              | 2,497.97         | 3,820.10         | 6,318.06         |
| <b>GAP After AP Subsidy</b>                   | <b>(721.72)</b>                      | <b>(123.66)</b>  | <b>25.07</b>     | <b>(98.59)</b>   |

|                                                          |        |  |  |                |
|----------------------------------------------------------|--------|--|--|----------------|
| Revenue Surplus/(Gap) for FY 2023-24                     | 721.72 |  |  | -              |
| Holding Cost for 1.5 years                               |        |  |  | -              |
| <b>Revenue Surplus/(Gap) after Regulatory Adjustment</b> | 0      |  |  | <b>(98.59)</b> |

Discoms submitted that they have adjusted Revenue Surplus of Rs. 721.72 Cr in True-Up of FY 2023-24 in arriving at the Revenue Gap of FY 2024-25, as the DISCOMs have small Gap in FY 2025-26 and requested to kindly approve the net Revenue (Gap)/ surplus of FY 2025-26, as worked out above.

The above revenue gap is proposed to be met from efficiency improvement in subsequent year and Discoms requested that aforesaid revenue gap for APR year may be allowed and adjusted appropriately in the relevant year.

**The Commission has considered the prayer of the Discoms for revision of ARR for the FY 2025-26 as a consequence of the revised APR estimates provided by them and observes that the expenditure incurred during the APR period as well as the consumer category wise sales and revenue are on a projected basis and not final and also not based on the audited accounts. Hence, the same, at this stage, do not call for any revision by substituting one estimated figure by another.**

**Accordingly, in view of the regulations occupying the field, the Commission is of the considered view, as also observed in the past, that it would not be appropriate to replace one set of estimated figures with another set of estimates for a small amount. Further, in view of the fact that the year is now almost over and it would be appropriate to examine the financial impact of mid-term performance review for the FY 2025-26 only once the Audited Accounts for the year are available. Hence, at this point of time the Commission is not inclined to revise the ARR for the FY 2025-26 as prayed for by the petitioner(s).**

## CHAPTER 5

### CAPITAL EXPENDITURE AND TECHNICAL PARAMETERS

#### 5.1 Capital Expenditure

##### 5.1.1 True-up of Capital Expenditure for the FY 2024-25

###### UHBVNL

The petitioner-UHBVN, in its petition for True-up for FY 2024-25, Annual Performance Review of FY 2025-26 and determination of Aggregate Revenue Requirement and Tariff for FY 2026-27, has submitted that the Hon'ble Commission had approved a capital expenditure of Rs. 1036.00 Cr. for FY 2024-25.

As per the audited account, the actual capital expenditure for FY 2024-25 is Rs. 1586.51 Cr. Hence, UHBVN has prayed the Hon'ble Commission may approve the same. Accordingly, the Commission approves the actual expenditure for FY 2024-25 as per audited accounts provided by the licensee as presented in the following table:-

| Sr. No.  | Name of the Scheme                                                                                                                                     | Approved CAPEX | Actual CAPEX FY 2024-25 | Remarks                                                                                                                                                                                                                                                                                                                                         |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A</b> | <b>PD&amp;C Wing</b>                                                                                                                                   |                |                         |                                                                                                                                                                                                                                                                                                                                                 |
| 1        | Creation of new 33 kV sub-stations along with Spill Over and associated 33 kV & 11 kV lines including civil works / Normal development (33 kV & 11 kV) | 130.68         | 40.63                   | Only 9 Nos. new 33 kV substations could be established, along with associated 33 kV and 11 kV lines, against the originally projected 25 substations.                                                                                                                                                                                           |
| 2        | Augmentation of existing 33 kV sub-stations including civil works                                                                                      | 50.00          | 111.77                  | A total of 53 substations were augmented, adding an additional capacity of 389.2 MVA. The majority of transformers used during augmentation were of 12.5 MVA rating, which had to be purchased instead of being sourced from the Nigam's existing inventory. Consequently, the actual expenditure incurred was higher than the projected cost." |
| 3        | Augmentation of existing 33 kV lines                                                                                                                   | 3.32           | 4.21                    | Augmentation work of 46.77 km of 33 kV lines was carried out against the projected 35 km, resulting in actual expenditure exceeding the estimated projections.                                                                                                                                                                                  |
| 4        | Release of tube well connections on Turn Key Basis                                                                                                     | 25.00          | 119.17                  | To eliminate the backlog and expedite the release of pending tubewell connections applied for by consumers, additional work was undertaken and approx. 5946 Nos. tubewell connections were released during the period. As a result, the expenditure incurred exceeded the anticipated estimates.                                                |
| 5        | Civil Works other than substation buildings                                                                                                            | 15.00          | 16.96                   | The reason for spending excess expenditure on civil works over various assets of Nigam is due to construction of several new office buildings, execution of various civil works at existing assets of Nigam to provide a safe and congenial working environment to employees of the Nigam for FY 2024-2025.                                     |
| 6        | RDSS (Revamped Distribution Sector Scheme)                                                                                                             | 275.00         | 388.20                  | During FY 2024-25, several sanctioned works were awarded and executed, with corresponding payments                                                                                                                                                                                                                                              |



| Sr. No.  | Name of the Scheme                                                                                                                                   | Approved CAPEX  | Actual CAPEX FY 2024-25 | Remarks                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          |                                                                                                                                                      |                 |                         | released, resulting in actual CAPEX incurred during the year. Additionally, an amount of ₹119.08 crore was received as a grant from the Ministry of Power (MoP), Government of India.                                                                                                                                                                                                                                                                                         |
| 7        | 11 kV other works & LRP works to be carried out under MGJG scheme                                                                                    | 12.00           | 285.75                  | Work at the 11-kV level and MGJG activities are being carried out under this head. The work was expedited to ensure quality and uninterrupted power supply to consumers. To improve the reliability of the transmission network, various drives were undertaken, which resulted in actual expenditure exceeding the projected estimates.                                                                                                                                      |
| 8        | Shifting of 11/33 Kv Dangerous line passing over residential areas                                                                                   | 50.00           | 9.83                    | The shifting of dangerous lines is a continuous process being carried out by UHBVN. The reported expenditure pertains to work completed during the period, while some identified lines were found not feasible for shifting. Consequently, less work was executed against the targeted scope, resulting in actual expenditure being lower than the projected estimates.                                                                                                       |
|          | <b>Total A</b>                                                                                                                                       | <b>561.00</b>   | <b>976.52</b>           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>B</b> | <b>IT Wing</b>                                                                                                                                       |                 |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 9        | System Integrator (ERPSI) for Supply, Installation, Commissioning, Implementation and Support for Enterprise Resource Planning (ERP) System at UHBVN | 5.00            | 0.00                    | The work could not be awarded during 2024-25 due to administrative reasons and now the work awarded in State level HPPC meeting dated 12.09.2025                                                                                                                                                                                                                                                                                                                              |
| 10       | Smart Metering                                                                                                                                       | 90.00           | 0.00                    | Tenders for smart metering on balance areas (except AP) were floated on Capex model could not be matured as prices received were exorbitant have been dropped. Fresh tender on Totex mode under RDSS shall be floated after confirmation from MoP, GoI w.r.t revoking the sanction of smart meter. Separate tender for installation of smart meter on Govt. connection shall also be floated, in view of the priority accorded by MoP, GoI to Government prepaid connections. |
| 11       | IT/OT Works                                                                                                                                          | 20.00           | 7.92                    | 1. Database Hardware & Software successfully installed & commissioned. Rs 5.01 Cr. Payment done via DH (UH Approved in Mar'25 ).<br>2. Firewall devices (3 no.) with 1 management device successfully installed & commissioned at DRC, Pkl. Accordingly, total Capex Payment done by UH.<br>3. IPS devices (3 no.) successfully installed at DRC, Pkl. Accordingly, total Capex Payment done by UH.                                                                           |
|          | <b>Total B</b>                                                                                                                                       | <b>115.00</b>   | <b>7.92</b>             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>C</b> | <b>MM Wing</b>                                                                                                                                       |                 |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 12       | Material required for release of Non-AP connections & replacement of old assets / system improvement & normal development                            | 360.00          | 602.07                  | The excess expenditure is due to transformers purchased for the VDS scheme, new LT connections, transformers and poles damaged in wind storms and as per the Nigam policy for the use of 11-meter PCC poles in HT lines, augmentation and additional power transformer in sub-stations, conductor and cables used in the augmentation of HT and LT lines and release of new connections.                                                                                      |
|          | <b>Total C</b>                                                                                                                                       | <b>360.00</b>   | <b>602.07</b>           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|          | <b>Gross proposed Capex (A+B+C)</b>                                                                                                                  | <b>1,036.00</b> | <b>1,586.51</b>         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

The Commission observes that the licensee has not been able to start 2 (Two) important works at sr. no.9 and 10 during the year for which an amount of Rs.95 Cr. was approved by the commission. Further, in respect of the works mentioned at Sr. no. 2, 4, 6, 7 and 12 the expenditure incurred is exorbitantly higher than the approved expenditure.

The Commission has observed that the license has incurred expenditure of Rs. **1586.51 Cr. against 1036.00 Cr. approved capex for FY 2024-25** resulting in from some schemes/items where expenditure has been incurred exorbitantly higher than approved and for some of the approved schemes/items, no expenditure has been incurred which reflects lack of proper estimation and execution of the capital works on the part of the licensee. The licensee needs to monitor each scheme prudently so that the schemes are executed with in the Capex approved for each item by the Commission as per Regulation 8.3.3 (b) of the Haryana Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) Regulations, 2019. **UHBVN is directed to put more emphasis on the estimation and execution of the works to avoid deviations in the approved expenditure and timelines.**

#### DHBVNL

DHBVN in its petition for True-up for FY 2024-25, Annual Performance Review of FY 2025-26 and determination of Aggregate Revenue Requirement and Tariff for FY 2026-27 submitted that the Hon'ble Commission had approved a Capital Expenditure of Rs. 1276.00 Cr. for FY 2024-25 As per the audited accounts, the actual Capital Expenditure incurred during FY 2024-25 is Rs.1658.36 Cr. DHBVN has prayed the Hon'ble Commission to approve the same. The Commission approves the actual expenditure for FY 2024-25 as per details provided by the Licensee presented in the following table:

| Sr. No. | Name of the Scheme                                                                                      | Approved CAPEX 2024-25 | Actual CAPEX 2024-25 | Remarks                                                                                                                                                      |
|---------|---------------------------------------------------------------------------------------------------------|------------------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1       | AT&C loss sustainable reduction plan                                                                    |                        |                      |                                                                                                                                                              |
| a       | Procurement of single-phase meters for replacement of defective meters & release of new connections and | 50.00                  | 42.75                | To replace defective meter in field, these single-phase meters were procured causing minor difference in the approved CAPEX and actual expenditure incurred. |

| Sr. No.  | Name of the Scheme                                                                                                                  | Approved CAPEX 2024-25 | Actual CAPEX 2024-25 | Remarks                                                                                                                                                                                                                                                                                                                                        |
|----------|-------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | procurement of Smart Meters.                                                                                                        |                        |                      |                                                                                                                                                                                                                                                                                                                                                |
| <b>b</b> | Procurement of three phase meters for replacement of defective meters & release of new connections and procurement of Smart Meters. | 30.00                  | 22.57                | To replace defective meter in field, these 3 phase meters were procured causing minor difference in the approved CAPEX and actual expenditure incurred.                                                                                                                                                                                        |
| <b>c</b> | Power Factor Improvement (Providing automatic power factor correctors)                                                              | 25.00                  | 38.45                | To have better power factor, new APFC were provided along with the additional power transformers [installed to curb increased load demand as per 2 (b)] which increased the CAPEX slightly.                                                                                                                                                    |
|          | <b>Sub Total</b>                                                                                                                    | <b>105.00</b>          | <b>103.77</b>        |                                                                                                                                                                                                                                                                                                                                                |
| <b>2</b> | <b>Load Growth schemes</b>                                                                                                          |                        |                      |                                                                                                                                                                                                                                                                                                                                                |
| <b>a</b> | Creation of new 33 kV sub-stations along with associated 33 kV & 11 kV lines                                                        | 100.00                 | 150.78               | 25 Nos. 33 kV substations were allotted to M/s Naolin during FY 2022-23. However, the firm could not carry out the work and contract were terminated. Thereafter, these works allotted during FY 2023-24 , so expenditure incurred during FY 2024-25 and FY 2025-26 against these works.                                                       |
| <b>b</b> | Augmentation of existing 33 kV sub-stations                                                                                         | 80.00                  | 104.25               | A total of 73 substations were augmented, adding an additional capacity of 707.8 MVA. The majority of transformers used during augmentation were of 12.5 MVA rating, which had to be purchased instead of being sourced from the Nigam's existing inventory. Consequently, the actual expenditure incurred was higher than the projected cost. |
| <b>c</b> | Augmentation of existing 33 kV lines                                                                                                | 20.00                  | 23.54                | Augmentation work of 33 kV lines was carried out as per the requirement resulting in actual expenditure exceeding the estimated projections.                                                                                                                                                                                                   |
| <b>d</b> | Bifurcation of 11 kV feeders (Work of bifurcation of feeders, augmentation of ACSR).                                                | 95.00                  | 151.89               | During FY 2024-25, some of the sanctioned works under RDSS were awarded and executed and corresponding payments were released leading to actual CAPEX incurred during the year along with the works executed by field offices.                                                                                                                 |
| <b>e</b> | Material required for release of Non-AP connections &                                                                               | 337.00                 | 389.80               | The excess expenditure is due to transformers purchased for the VDS scheme, new LT connections,                                                                                                                                                                                                                                                |

| Sr. No.  | Name of the Scheme                                                                                                                             | Approved CAPEX 2024-25 | Actual CAPEX 2024-25 | Remarks                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | replacement of old assets                                                                                                                      |                        |                      | transformers and poles damaged in windstorms and as per the Nigam policy for the use of 11-meter PCC poles in HT lines, augmentation and additional power transformer in sub-stations, conductor and cables used in the augmentation of HT and LT lines and release of new connections.                                                                                                                                          |
| <b>f</b> | *Release of Tube well connection on turnkey basis and segregation of AP load from Rural Urban feeders.                                         | 130.00                 | 190.82               | To eliminate the backlog and expedite the release of pending tubewell connections applied by consumers (during January, 2019 to December, 2023), additional work was undertaken and approx. 5275 Nos. tubewell connections were released during the period. Further, material was procured to release the T/Well connections and work was in progress. As a result, the expenditure incurred exceeded the anticipated estimates. |
| <b>g</b> | Procurement of power transformers and allied equipment such as 33 kV CTs, 33 kV PTs, 33 kV and 11 kV VCBs, 33 kV Control and Relay Panels etc. | 21.00                  | 25.81                |                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|          | <b>Sub Total</b>                                                                                                                               | <b>783.00</b>          | <b>1036.89</b>       |                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>3</b> | <b>Other works</b>                                                                                                                             |                        |                      |                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>a</b> | Civil Works                                                                                                                                    | 50.00                  | 40.03                | The reason for spending excess expenditure on civil works over various assets of Nigam is due to construction of several new office buildings, execution of various civil works at existing assets of Nigam to provide a safe and congenial working environment to employees of the Nigam for FY 2024-2025.                                                                                                                      |
| <b>b</b> | Mahara gaon jagmag gaon scheme for rural area and feeder sanitization for Urban area/LRP/Replacement of iron pole.                             | 100.95                 | 152.89               | The works at 11 kV level, MGJG activities and maintenance work were being carried out under this head. The work was expedited to ensure quality, uninterrupted power supply to consumers with reduced technical losses . To improve the reliability of the transmission network, various drives were undertaken, which resulted in actual expenditure exceeding the projected estimates.                                         |
| <b>c</b> | Other works for system improvement -                                                                                                           | 2.00                   | 3.71                 |                                                                                                                                                                                                                                                                                                                                                                                                                                  |

| Sr. No. | Name of the Scheme                                                                                                                                    | Approved CAPEX 2024-25 | Actual CAPEX 2024-25 | Remarks                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         | Procurement of IT Equipment & Software                                                                                                                |                        |                      |                                                                                                                                                                                                                                                                                                                                                                                                                         |
| d       | Smart City Gurgaon ( HT & LT Lines, DTs, U/G Cables, RMUs and FRTUs Etc.) including SCADA Project, IMT, Manesar                                       | 180.00                 | 48.28                | The gap between CAPEX and Expenditure incurred in 2024-25 is because of slow progress of infra works by the executing firms.                                                                                                                                                                                                                                                                                            |
| e       | Shifting of 11 lines passing over residential areas under DHBVN.                                                                                      | 15.00                  | 14.75                |                                                                                                                                                                                                                                                                                                                                                                                                                         |
| f       | Double Source of 33 KV Supply                                                                                                                         | 8.00                   | 7.95                 |                                                                                                                                                                                                                                                                                                                                                                                                                         |
| g       | Muffing of existing poles of 11 KV Lines                                                                                                              | 0.05                   | 0.04                 |                                                                                                                                                                                                                                                                                                                                                                                                                         |
| h       | Revamping of existing meter testing laboratories operating at 5 towns of Dadri, Sirsa, Hisar, Faridabad and Gurugram under jurisdiction of DHBVN      | 0.00                   | 2.86                 |                                                                                                                                                                                                                                                                                                                                                                                                                         |
|         | <b>Sub Total</b>                                                                                                                                      | <b>356.00</b>          | <b>270.51</b>        |                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 4       | App Upgradation of CCB                                                                                                                                | 15.00                  | 5.01                 | 1. The expected expenditure was booked for the upgradation of Exadata machine for hosting of Oracle Databases . The 40% Capex payment w.r.t. supply of the hardware has been released, while completion of migration on Exadata was accomplished in FY25-26, the CAPEX payment is subject to declaration of GO-LIVE , which is still pending .<br>2. The NIT for upgradation of CC&B had not been finalized in FY24-25. |
| 5       | Hardware Refresh of Data Centre                                                                                                                       | 10.00                  | 4.18                 | The NIT for upgradation of Data Centre Infrastructure upgrade had not been finalized in FY24-25.                                                                                                                                                                                                                                                                                                                        |
| 6       | System Integrator (ERPSI) for Supply, Installation, Commissioning, Implementation and Support for Enterprise Resource Planning (ERP) System at DHBVN. | 7.00                   | 0.00                 |                                                                                                                                                                                                                                                                                                                                                                                                                         |
|         | <b>Sub Total</b>                                                                                                                                      | <b>32.00</b>           | <b>9.19</b>          |                                                                                                                                                                                                                                                                                                                                                                                                                         |
|         | <b>Total</b>                                                                                                                                          | <b>1276.00</b>         | <b>1420.36</b>       |                                                                                                                                                                                                                                                                                                                                                                                                                         |

| Sr. No. | Name of the Scheme                                 | Approved CAPEX 2024-25 | Actual CAPEX 2024-25 | Remarks |
|---------|----------------------------------------------------|------------------------|----------------------|---------|
|         | Interest/ Guaranteed Charges/ Expenses Capitalized |                        | 238.00               |         |
|         | Grand Total                                        |                        | 1658.36              |         |

A perusal of the capital expenditure by the licensee during the FY 2024-25, reveals that the actual expenditure incurred on all the works except mentioned at Sr. 1(c), 2(a), (b), (c), (d), (e), (f), (g), 3(b), (c) & (h) has been more than the amount approved by the Commission. The licensee needs to monitor each scheme prudently so that the schemes are executed within the Capex approved for each item by the Commission as per Regulation 8.3.3 (b) of the Haryana Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) Regulations, 2019. **DHBVN is directed to put more emphasis on the estimation and execution of the works to avoid deviations in the approved expenditure and timelines.**

Regulation 9.10 of the HERC (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) Regulations, 2019 further specifies as under: -

*“In case the capital expenditure incurred for approved schemes exceeds the amount as approved in the capital expenditure plan, the generating company or the transmission or the distribution licensee, as the case may be, shall file an application with the Commission at the end of control period for truing up the expenditure incurred over and above the approved amount. After prudence check, the Commission shall pass an appropriate order on case to case basis. The True-up application shall contain all the requisite information and supporting documents”.*

*Provided that any additional capital expenditure incurred on account of time over run and / or on unapproved schemes not covered under regulation 9.9 or unapproved changes in scope of approved schemes shall not be allowed by the Commission unless the generating company or the licensee, as the case may be, is able to give adequate justification for the same”.*

**The DISCOMs are directed to adhere to the Regulations meticulously.**

### 5.1.2 Review of Capital Investment Plan in progress for FY 2025-26

Regulation 9.7 of the HERC (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) Regulations, 2024, specifies that in the normal course, the Commission shall not revisit the approved capital investment plan during the control period. However, during the mid-year performance review and True-up, the Commission shall monitor the year wise progress of the actual capital expenditure incurred by the generating company or the licensee vis-à-vis the approved capital expenditure and in case of significant difference between the actual expenditure vis-a-vis the approved expenditure, the Commission may True-up the capital expenditure, subject to prudence check, as a part of annual True-up exercise on or without an application to this effect by the generation company/licensee. The generating company and the licensee shall submit the scheme-wise actual capital expenditure incurred along with the mid-year performance review and True-up filing.

Accordingly, both the DISCOMs, through filing of their Annual Performance Review petitions for FY 2025-26 and subsequent submissions, revised their capital investment plan for FY 2025-26. After examining these, the Commission allows following revised capital investment plans.

#### UHBVNL

UHBVN submitted that the Hon'ble Commission in Tariff Order dated 28/03/2025 had approved Capital Expenditure Plan Rs. 1500. Crores for the year FY 2025-26. The petitioner has not proposed any change in the same.

- a) UHBVN submitted that out of total capital expenditure of Rs. 1500.00 Cr., the amount of Rs. 880.35 Cr. has been incurred during the first half (up to Sept. 2024) of FY 2025-26 and balance of Rs. 619.65 Cr. is likely to be incurred in the second half, (ending March, 2026) as per the following details

| Sr. No . | Description of Project / Scheme / work                                     | Approved CAPEX for FY 2025-26 | Tentative Expenditure incurred in FY 2025-26 (up to 30.09.2025) | Projected Expenditure from October-2025 Ending March-2026 | Total projected capex of FY 2025-26 | Remarks                                                                                  |
|----------|----------------------------------------------------------------------------|-------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------|-------------------------------------|------------------------------------------------------------------------------------------|
| A        | PD&C Wing                                                                  | B                             | D                                                               | E                                                         | F=D+E                               |                                                                                          |
| 1        | Creation of new 33 kV sub-stations along with Spill Over and associated 33 | 150.00                        | 73.78                                                           | 70.00                                                     | 143.78                              | As of the end of September 2025, 10 substations have been successfully commissioned. The |

| Sr. No . | Description of Project / Scheme / work                                      | Approved CAPEX for FY 2025-26 | Tentative Expenditure incurred in FY 2025-26 (up to 30.09.2025) | Projected Expenditure from October-2025 Ending March-2026 | Total projected capex of FY 2025-26 | Remarks                                                                                                                                                                                                                                                                                    |
|----------|-----------------------------------------------------------------------------|-------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | kV & 11 kV lines including civil works / Normal development (33 kV & 11 kV) |                               |                                                                 |                                                           |                                     | remaining 15 substations, as per the set target, are expected to be commissioned by the end of March 2026                                                                                                                                                                                  |
| 2        | Augmentation of existing 33 kV sub-stations including civil works           | 80.00                         | 18.30                                                           | 24.00                                                     | 42.30                               | As of the end of September 2025, 6 substations have been augmented. The remaining 34 substations, as per the set target, are expected to be commissioned by the end of March 2026                                                                                                          |
| 3        | Augmentation of existing 33 kV lines                                        | 12.70                         | 1.70                                                            | 2.00                                                      | 3.70                                | Upgradation/Augmentation work of 33kV lines are going on as per requirement. The work of augmentation of approx. 17km line is completed.                                                                                                                                                   |
| 4        | Release of tube well connections on Turn Key Basis                          | 40.00                         | 75.65                                                           | 40.00                                                     | 115.65                              | To eliminate the backlog and expedite the release of pending tubewell connections applied for by consumers during the period 2018 to 2023.The expenditure incurred has exceeded the anticipated estimates                                                                                  |
| 5        | Civil Works other than substation buildings                                 | 10.00                         | 19.43                                                           | 20.00                                                     | 39.43                               | The reason for spending excess expenditure on civil works over various assets of Nigam is due to construction of several new office buildings, execution of various civil works at existing assets of Nigam to provide a safe and congenial working environment to employees of the Nigam. |



| Sr. No.  | Description of Project / Scheme / work                              | Approved CAPEX for FY 2025-26 | Tentative Expenditure incurred in FY 2025-26 (up to 30.09.2025) | Projected Expenditure from October-2025 Ending March-2026 | Total projected capex of FY 2025-26 | Remarks                                                                                                                                                                                                                                            |
|----------|---------------------------------------------------------------------|-------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6        | RDSS (Revamped Distribution Sector Scheme)                          | 280.00                        | 116.98                                                          | 140.00                                                    | 256.98                              | The works are currently in progress, and the targets are expected to be achieved by the end of FY 2025-26. Additionally, an amount of ₹ 72.30 crore was received as a grant from the Ministry of Power (MoP), Government of India UPTO 30.09.2025. |
| 7        | 11 kV & other works and AP VDS                                      | 160.50                        | 118.61                                                          | 120.04                                                    | 238.65                              | Works at the 11kV level are currently in progress, and the associated expenditure is expected to be incurred in line with the target by the end of FY 2025-26.                                                                                     |
| 8        | Shifting of 11/33 kV Dangerous line passing over residential areas. | 20.00                         | 6.79                                                            | 6.00                                                      | 12.79                               | The works are currently in progress, and the targets are expected to be achieved by the end of FY 2025-26.                                                                                                                                         |
| 9        | EV Charging Station                                                 | 2.00                          | 0.00                                                            | 0.15                                                      | 0.15                                | The EV Charging stations are being established by private players/respective Govt. departments i.e Haryana Roadways and the expenditures are being deposited by the concerned entities.                                                            |
|          | <b>Total A</b>                                                      | <b>755.20</b>                 | <b>431.24</b>                                                   | <b>422.19</b>                                             | <b>853.43</b>                       |                                                                                                                                                                                                                                                    |
| <b>B</b> | <b>IT Wing</b>                                                      |                               |                                                                 |                                                           |                                     |                                                                                                                                                                                                                                                    |
| 10       | Installation of smart meter in UHBVN                                | 200.00                        | 0.00                                                            | 0.00                                                      | 0.00                                | Exorbitant price (125%) received in tender due to which proposal did not matured. Now fresh tender is proposed under Totex mode of RDSS.                                                                                                           |
| 11       | System Integrator (ERPSI) for Supply, Installation,                 | 30.00                         | 0.00                                                            | 0.00                                                      | 0.00                                | Work awarded in State level HPPC meeting dated 12.09.2025                                                                                                                                                                                          |

| Sr. No.  | Description of Project / Scheme / work                                                                                    | Approved CAPEX for FY 2025-26 | Tentative Expenditure incurred in FY 2025-26 (up to 30.09.2025) | Projected Expenditure from October-2025 Ending March-2026 | Total projected capex of FY 2025-26 | Remarks                                                                                                    |
|----------|---------------------------------------------------------------------------------------------------------------------------|-------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------|-------------------------------------|------------------------------------------------------------------------------------------------------------|
|          | Commissioning, Implementation and Support for Enterprise Resource Planning (ERP) System at UHBVN                          |                               |                                                                 |                                                           |                                     |                                                                                                            |
| 12       | IT/OT Works                                                                                                               | 10.00                         | 0.00                                                            | 6.44                                                      | 6.44                                | Payment done as per milestones achieved. Work order of 2 no. NIT yet to be awarded.                        |
|          | <b>Total B</b>                                                                                                            | <b>240.00</b>                 | <b>0.00</b>                                                     | <b>6.44</b>                                               | <b>6.44</b>                         |                                                                                                            |
| <b>C</b> | <b>MM Wing</b>                                                                                                            |                               |                                                                 |                                                           |                                     |                                                                                                            |
| 13       | Material required for release of Non-AP connections & replacement of old assets / system improvement & normal development | 504.80                        | 449.11                                                          | 191.02                                                    | 640.13                              | The works are currently in progress, and the targets are expected to be achieved by the end of FY 2025-26. |
|          | <b>Total C</b>                                                                                                            | <b>504.80</b>                 | <b>449.11</b>                                                   | <b>191.02</b>                                             | <b>640.13</b>                       |                                                                                                            |
|          | <b>Gross proposed Capex (A+B+C)</b>                                                                                       | <b>1,500.00</b>               | <b>880.35</b>                                                   | <b>619.65</b>                                             | <b>1,500.00</b>                     |                                                                                                            |

- b) The Commission observes that no expenditure has been incurred for scheme at Sr. no. 9, 10, 11 & 12 for which an amount of Rs. 242.00 Cr. was approved by the Commission whereas expenditure against works at Sr. No. 4 and 5 is exorbitantly high, which indicates lack of proper planning by the licensee.

In view of above MYT Regulation 2024 specifies *that in the normal course, the Commission shall not revisit the approved capital investment plan during the control period. However, during the mid-year performance review and True-up, the Commission shall monitor the year wise progress of the actual capital expenditure incurred by the generating company or the licensee vis-à-vis the approved capital expenditure and in case of significant difference between the actual expenditure vis-a-vis the approved expenditure, the Commission may True-up the capital expenditure, subject to prudence check, as a part of annual True-up exercise on or without an application to this effect by the generation company/licensee. The generating company and the licensee shall submit the scheme-*

*wise actual capital expenditure incurred along with the mid-year performance review and True-up filing.*

**The Distribution Licensee is directed to adhere to the Regulation meticulously.**

#### **DHBVNL**

DHBVN submitted that the Commission in its tariff order dated 28.03.2025 had approved Capital Expenditure Plan of Rs. 1900 Cr. for FY 2025-26. Although the petitioner has not proposed any revision in the same but revised estimate of schemes for FY 2025-26.

DHBVNL submitted that out of total capital expenditure of Rs. 1900 Cr., the amount of Rs. 843.48 Cr. has been expended during the first half (up to Sept. 2025) of FY 2025-26 and balance of Rs. 1056.52 Cr. Is likely to be incurred in the second half, (ending March, 2026) as per the following details:

| Sr. No.  | Description                                                                 | Provision as per CAPEX for FY 2025-26 | Expenditure incurred during current FY upto 30.09.2025 | Likely CAPEX to be incurred during remaining FY 2025-26 | Total revised CAPEX during FY 2025-26 | Remarks                                                                                                                                                                                                                                               |
|----------|-----------------------------------------------------------------------------|---------------------------------------|--------------------------------------------------------|---------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A</b> |                                                                             |                                       |                                                        |                                                         |                                       |                                                                                                                                                                                                                                                       |
| <b>1</b> | Creation of new 33 kV substations along with associated 33 kV & 11 kV lines | 100                                   | 70.63                                                  | 87.89                                                   | 158.52                                | 18 substations have been successfully commissioned. The remaining 18 substations are expected to be commissioned by the end of March, 2026. The expenditure to be incurred is likely to exceed the anticipated estimates due to the spill over works. |
| <b>2</b> | Augmentation of existing 33 kV substations                                  | 80                                    | 46.80                                                  | 56.78                                                   | 103.58                                | 15 substation have been augmented. The remaining 45 substations are expected to be commissioned by the end of March, 2026. The expenditure is likely to be exceed the estimates in view of the system requirements.                                   |
| <b>3</b> | Augmentation of existing 33 kV lines                                        | 20                                    | 14.81                                                  | 7.27                                                    | 22.08                                 | Upgradation/Augmentation work of 33 kV lines are going on as per requirement. The expenditure is likely to exceed the estimates.                                                                                                                      |
| <b>4</b> | Release of Tube well connection                                             | 100                                   | 80.20                                                  | 102.85                                                  | 183.05                                | To eliminate the backlog and expedite the release of pending tubewell connections applied by                                                                                                                                                          |

| Sr. No. | Description                                                                | Provision as per CAPEX for FY 2025-26 | Expenditure incurred during current FY upto 30.09.2025 | Likely CAPEX to be incurred during remaining FY 2025-26 | Total revised CAPEX during FY 2025-26 | Remarks                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------|----------------------------------------------------------------------------|---------------------------------------|--------------------------------------------------------|---------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         | on turnkey basis                                                           |                                       |                                                        |                                                         |                                       | consumers (during January, 2019 to December, 2023). The expenditure is likely to exceed the estimates.                                                                                                                                                                                                                                                                                                                                                            |
| 5       | Civil allied works other than substation works                             | 50.95                                 | 11.04                                                  | 39.91                                                   | 50.95                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 6       | Double source of 33 kV supply/change of feeding source of 33 kV substation | 10                                    | 2.67                                                   | 1.51                                                    | 4.18                                  | It is expected that the likely expenditure will be less as estimated earlier.                                                                                                                                                                                                                                                                                                                                                                                     |
| 7       | RDSS (Revamped Distribution Sector Scheme)                                 | 460                                   | 194.44                                                 | 265.56                                                  | 460.00                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 8       | Power Factor Improvement (Providing automatic power factor correctors)     | 30                                    | 6.20                                                   | 23.80                                                   | 30.00                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|         | <b>Total A</b>                                                             | <b>850.95</b>                         | <b>426.79</b>                                          | <b>585.57</b>                                           | <b>1012.36</b>                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 9       | Construction of New Solar Plants                                           | 35                                    | 0.00                                                   | 32.00                                                   | 32.00                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 10      | Smart Metering/Smart City Project Gurugram                                 | 455.01                                | 28.00                                                  | 77.00                                                   | 105.00                                | 1. The expenditure is likely to be incurred in respect of Risk & Cost works against terminated works of TSGP-08/ Tata Projects Limited and new Infra Works under RDSS (TSGP-23 to 31) etc.<br>2. The NIT amounting to Rs. 2354 Crores (for DHBVN) and Rs.1924 Crores (for UHBVN) for implementation of smart metering was not finalized owing to the exorbitant rates received in the NIT. As such, expenditure has not been made.<br>3. Further, UHBVNL shall be |

| Sr. No.  | Description                                                                                                                                                                                    | Provision as per CAPEX for FY 2025-26 | Expenditure incurred during current FY upto 30.09.2025 | Likely CAPEX to be incurred during remaining FY 2025-26 | Total revised CAPEX during FY 2025-26 | Remarks                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------------------------------------------|---------------------------------------------------------|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          |                                                                                                                                                                                                |                                       |                                                        |                                                         |                                       | floating an NIT for installation of smart meters on Government Connections of DHBVNL & UHBVNL.                                                                                                                                                                                                                                                                                                                |
| 11       | ERP System                                                                                                                                                                                     | 15.05                                 | 0.00                                                   | 0.70                                                    | 0.70                                  | The NIT for finalization of ERP was awarded and LOI issued on 11.11.2025 , as such , the expenditure on account of implementation has slipped to FY26-27 which was initially expected in FY25-26                                                                                                                                                                                                              |
| 12       | Development of New and Upgradation of existing Applications/ Software                                                                                                                          | 36.29                                 | 2.13                                                   | 3.00                                                    | 5.13                                  | The NIT for upgradation of CC&B amounting to Rs. 172 Crores has not been finalized yet . As such, the expenditure expected has not been made .                                                                                                                                                                                                                                                                |
| 13       | Purchase & upgradation of IT Hardware/Solutions (e. g. servers and allied Data Centre Hardware/solution, field equipments etc.)                                                                | 27.7                                  | 0.22                                                   | 7.08                                                    | 7.30                                  | The NIT for upgradation of Data Centre Infrastructure upgrade has not been finalized yet , as such, the expected expenditure has not been done .                                                                                                                                                                                                                                                              |
|          | <b>Total B</b>                                                                                                                                                                                 | <b>569.05</b>                         | <b>30.35</b>                                           | <b>119.78</b>                                           | <b>150.13</b>                         |                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>C</b> |                                                                                                                                                                                                |                                       |                                                        |                                                         |                                       |                                                                                                                                                                                                                                                                                                                                                                                                               |
| 14       | Material required for release of connections, replacement of old assets / system improvement including material for MGJG/LRP/R DSS works etc & normal development including providing of power | 300                                   | 215.58                                                 | 235.42                                                  | 451.00                                | The excess expenditure likely to be incurred is due to transformers purchased for the VDS scheme, new LT connections, transformers and poles damaged in windstorms and as per the Nigam policy for the use of 11-meter PCC poles in HT lines, augmentation and additional power transformer in sub-stations, conductor and cables used in the augmentation of HT and LT lines and release of new connections. |

| Sr. No.   | Description                                                                                                                                                    | Provision as per CAPEX for FY 2025-26 | Expenditure incurred during current FY upto 30.09.2025 | Likely CAPEX to be incurred during remaining FY 2025-26 | Total revised CAPEX during FY 2025-26 | Remarks                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------------------------------------------|---------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|           | transformers for augmentation of substation etc.                                                                                                               |                                       |                                                        |                                                         |                                       |                                                                                                                                                                                                                                                                                                                                                                                                           |
|           | <b>Total C</b>                                                                                                                                                 | <b>300.00</b>                         | <b>215.58</b>                                          | <b>235.42</b>                                           | <b>451.00</b>                         |                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>D</b>  |                                                                                                                                                                |                                       |                                                        |                                                         |                                       |                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>15</b> | Bifurcation of 11 kV feeders (Work of bifurcation of feeders, augmentation of ACSR).                                                                           | 50                                    | 82.45                                                  | 50.75                                                   | 133.20                                | To provide reliable and uninterrupted power supply to the consumers, the likely expenditure is expected to be increased as estimated earlier.                                                                                                                                                                                                                                                             |
| <b>16</b> | Mahara gaon jagmag gaon scheme for rural area and feeder sanitization for Urban area/LRP/Replacement of iron pole etc. other than the works covered under RDSS | 100                                   | 81.91                                                  | 41.40                                                   | 123.31                                | The works at 11 kV level, MGJG activities and maintenance work are being carried out under this head. The work is expedited to ensure quality, uninterrupted power supply to consumers with reduced technical losses. To improve the reliability of the transmission network, various drives were undertaken/are being undertaken, which results in likely expenditure exceeding the projected estimates. |
| <b>17</b> | Shifting of dangerous 11/33 kV lines                                                                                                                           | 30                                    | 6.40                                                   | 23.60                                                   | 30.00                                 |                                                                                                                                                                                                                                                                                                                                                                                                           |
|           | <b>Total C</b>                                                                                                                                                 | <b>180</b>                            | <b>170.76</b>                                          | <b>115.75</b>                                           | <b>286.51</b>                         |                                                                                                                                                                                                                                                                                                                                                                                                           |
|           | <b>Gross proposed CAPEX (A+B+C+D)</b>                                                                                                                          | <b>1900.00</b>                        | <b>843.48</b>                                          | <b>1056.52</b>                                          | <b>1900.00</b>                        |                                                                                                                                                                                                                                                                                                                                                                                                           |

The Commission observes that no expenditure has been incurred on the works mentioned at Sr. No. 9 & 11 for first half. **The Distribution Licensee is directed to adhere to the Regulation meticulously.**

### 5.1.3 Capital Investment Plan (FY 2026-27)

The licensees through their petitions for True-up for FY 2024-25, Annual Performance Review of FY 2025-26 and determination of Aggregate Revenue Requirement and Tariff for FY 2026-27 has submitted the capital investment plan FY 2026-27. The capital investment plan for 2026-27 has been analyzed as follows.

#### UHBVNL

UHBVNL has submitted that the investment plan for ARR year undertakes capital works largely focused on the load growth, system strengthening, IT implementation, smart metering, EV Charging and Quality of Supply of Power.

The Capital Investment plan for FY 2026-27 is planned to be funded largely by the budgetary support provided by the Central Govt. under the Revamped Distribution Sector Scheme (RDSS), Equity for Capital Investment provided by the State Govt., self-funds arranged by the Petitioner and consumer contribution provided under the various deposit works. The breakup of the structure of capital expenditure plan submitted is as under:

| Particulars                      | FY 2026-27      |
|----------------------------------|-----------------|
| Consumer contribution            | 41.12           |
| Equity                           | 402.98          |
| Loan from FIs/Banks              | 1,611.90        |
| <b>Total Capital expenditure</b> | <b>2,056.00</b> |

The details of Scheme wise CAPEX have been submitted as under:

| Sr. No.  | Description                                                                                                                                            | FY 2026-27 |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| <b>A</b> | <b>PD&amp;C Wing</b>                                                                                                                                   |            |
| 1        | Creation of new 33 kV sub-stations along with Spill Over and associated 33 kV & 11 kV lines including civil works / Normal development (33 kV & 11 kV) | 240.00     |
| 2        | Augmentation of existing 33 kV sub-stations including civil works                                                                                      | 58.00      |
| 3        | Augmentation of existing 33 kV lines                                                                                                                   | 6.00       |
| 4        | Release of tube well connections on Turn Key Basis                                                                                                     | 105.00     |
| 5        | Civil Works other than substation buildings                                                                                                            | 50.00      |
| 6        | RDSS (Revamped Distribution Sector Scheme)                                                                                                             | 400.00     |
| 7        | Underground Cabling Project                                                                                                                            | 160.00     |
| 8        | 1 kV other works (EOI -50 Cr., VDS AP-75 Cr.)                                                                                                          | 125.00     |

| Sr. No.  | Description                                                                                                                                          | FY 2026-27      |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| 9        | Shifting of 11/33 kV Dangerous line passing over residential areas                                                                                   | 15.00           |
| 10       | EV Charging Station                                                                                                                                  | 1.00            |
| 11       | LRP works (Urban sanitization) and works to be carried out under MGJG scheme                                                                         | 10.00           |
|          | <b>Total A</b>                                                                                                                                       | <b>1,170</b>    |
| <b>B</b> | <b>IT Wing</b>                                                                                                                                       |                 |
| 13       | SCADA under RDSS                                                                                                                                     | 180             |
| 14       | Installation of smart meter in UHBVN                                                                                                                 | 65.76           |
| 15       | System Integrator (ERPSI) for Supply, Installation, Commissioning, Implementation and Support for Enterprise Resource Planning (ERP) System at UHBVN | 8.50            |
| 16       | IT/OT Works                                                                                                                                          | 55.09           |
|          | <b>Total B</b>                                                                                                                                       | <b>309.35</b>   |
| <b>C</b> | <b>MM Wing</b>                                                                                                                                       |                 |
| 17       | Material required for release of Non-AP connections & replacement of old assets / system improvement & normal development                            | 576.65          |
|          | <b>Total C</b>                                                                                                                                       | <b>576.65</b>   |
|          | <b>Gross proposed Capex (A+B+C)</b>                                                                                                                  | <b>2,056.00</b> |

## DHBVNL

DHBVNL has submitted that Capital Expenditure Plan for FY 2026-27 is proposed with a focused approach at strengthening the distribution network, improving supply reliability, and aligning with the State's long-term distribution reforms roadmap. The key focus areas include creation and augmentation of 33 kV substations and associated lines, release of tube-well and new consumer connections, and implementation of a double-source power supply scheme to reduce contingency risks. Additionally, construction of new solar plants is envisaged to support renewable integration, while targeted investments such as feeder bifurcation, network strengthening in both rural and urban areas, and shifting of hazardous lines will improve safety, reduce technical losses, and cater to future load growth. The Capital Investment plan for ARR year is planned to be funded from Financial Institutions/Banks and RDSS, ensuring financial viability and reduced burden on consumers. Scheme Wise Capital Expenditure Plan of DHBVN is tabulated as under:



| S. No.   | Description                                                                                                                                                                                                                                  | Proposed CAPEX for FY 2026-27 |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| <b>A</b> |                                                                                                                                                                                                                                              |                               |
| 1        | Creation of new 33 kV substations along with associated 33 kV & 11 kV lines                                                                                                                                                                  | 50.00                         |
| 2        | Augmentation of existing 33 kV substations                                                                                                                                                                                                   | 35.00                         |
| 3        | Augmentation of existing 33 kV lines                                                                                                                                                                                                         | 20.00                         |
| 4        | Release of Tube well connection on turnkey basis                                                                                                                                                                                             | 120.00                        |
| 5        | Civil allied works other than substation works                                                                                                                                                                                               | 70.00                         |
| 6        | Double source of 33 kV supply/change of feeding source of 33 kV substation                                                                                                                                                                   | 10.00                         |
| 7        | RDSS (Revamped Distribution Sector Scheme)                                                                                                                                                                                                   | 460.00                        |
| 8        | Power Factor Improvement (Providing automatic power factor correctors)                                                                                                                                                                       | 30.00                         |
|          | <b>Total A</b>                                                                                                                                                                                                                               | <b>795.00</b>                 |
| <b>B</b> |                                                                                                                                                                                                                                              |                               |
| 1        | Construction of New Solar Plants                                                                                                                                                                                                             | 3.00                          |
| 2        | Smart Metering                                                                                                                                                                                                                               | 227.30                        |
| 3        | Upgradation and modernization of Electrical Distribution infra in Gurugram & Faridabad under RDSS                                                                                                                                            | 855.00                        |
| 4        | ERP System                                                                                                                                                                                                                                   | 12.62                         |
| 5        | Development of New and Upgradation of existing Applications/Software                                                                                                                                                                         | 34.13                         |
| 6        | Purchase & upgradation of IT Hardware/Solutions (e. g. servers and allied Data Centre Hardware/solution, field equipment etc.)                                                                                                               | 9.45                          |
|          | <b>Total B</b>                                                                                                                                                                                                                               | <b>1,141.50</b>               |
| <b>C</b> |                                                                                                                                                                                                                                              |                               |
| 1        | Material required for release of connections, replacement of old assets/system improvement including material for MGJG/LRP/RDSS works etc & normal development including providing of power transformers for augmentation of substation etc. | 615.00                        |
|          | <b>Total C</b>                                                                                                                                                                                                                               | <b>615.00</b>                 |
| <b>D</b> |                                                                                                                                                                                                                                              |                               |
| 1        | Bifurcation of 11 kV feeders (Work of bifurcation of feeders, augmentation of ACSR).                                                                                                                                                         | 50.00                         |
| 2        | Mhara Gaon Jagmag Gaon scheme for rural area and feeder sanitization for Urban area/LRP/Replacement of iron pole etc. other than the works covered under RDSS                                                                                | 120.00                        |
| 3        | Shifting of dangerous 11/33 kV lines                                                                                                                                                                                                         | 17.19                         |
|          | <b>Total D</b>                                                                                                                                                                                                                               | <b>187.19</b>                 |
|          | <b>Gross proposed CAPEX (A+B+C+D)</b>                                                                                                                                                                                                        | <b>2,738.69</b>               |

Source wise funding of capital expenditure proposed for MYT control period is tabulated as under:

| S. No. | Particulars                      | FY 2026-27      |
|--------|----------------------------------|-----------------|
| 1      | Equity                           | 547.74          |
| 2      | Loan from FIs/Banks              | 1,968.09        |
| 3      | Consumer Contribution & Grant    | 222.86          |
| 4      | <b>Total Capital Expenditure</b> | <b>2,738.69</b> |

The Licensees have not submitted the scheme wise details regarding financial tie ups to carry out the proposed Capital Expenditure plan. Further the both DISCOMs has not given the status of NITs/ tenders and activities undertaken to implement the CIP.

The average achievement of the DISCOMs vis-à-vis approved capital expenditure is as under:

| Year                     |       | Approved Capex | Expenditure incurred | %age Achievement |
|--------------------------|-------|----------------|----------------------|------------------|
| FY 2021-22               | UHBVN | 950            | 947.37               | 99.72%           |
|                          | DHBVN | 1076.35        | 978.79               | 90.94%           |
| FY 2022-23               | UHBVN | 970            | 743.82               | 76.68%           |
|                          | DHBVN | 1380           | 1120.15              | 81.17%           |
| FY 2023-24               | UHBVN | 1000           | 834.47               | 83.45%           |
|                          | DHBVN | 1200           | 1158.02              | 96.50%           |
| FY 2024-25               | UHBVN | 1036           | 1586.51              | 153.14%          |
|                          | DHBVN | 1276           | 1658.36              | 129.97%          |
| <b>Average (Rounded)</b> | UHBVN |                |                      | <b>103%</b>      |
|                          | DHBVN |                |                      | <b>100%</b>      |

UHBVN, has proposed a capital expenditure plan of Rs. 2056.00 Cr. for FY 2026-27. The Commission observes that as the UHBVN has exceeded the approved expenditure for FY 2024-25, and further feels that adequate capital expenditure shall be required to meet the loss reduction targets and to strengthen the distribution system and implementation smart metering along with other project for digitalization of business process of licensee. Keeping in view of the above facts, **the Commission approves the proposed Capital Expenditure plan of Rs. 2056 Cr. for UHBVN for FY 2026-27.**

DHBVN, has proposed a capital expenditure plan of Rs.2738.69 Cr. for FY 2026-27.

For FY 2025-26, the Licensee has stated in its submissions that expenditure of Rs.843.48 Cr. has been incurred in first half of FY 2025-26 ending Sept, 2025 and further Rs. 1056.52 Cr. are likely to be spent from Oct, 2025 to March, 2026. The Commission is of considered view that projection of Capex of Rs 2738.69 Cr is on higher side. However, DHBVN has proposed

Rs. 227.00 Cr. for smart metering and Rs. 855.00 Cr. for upgradation and modernization of Electrical Distribution infra in Gurugram & Faridabad along with Rs. 120.00 Cr. for MGJG and allied works other than RDSS. Therefore, **the Commission approves the capital expenditure to tune of Rs. 2200.00 Cr. for DHBVNL for FY 2026-27 and further directs the licensee to revise its capital expenditure plan accordingly and to submit the scheme wise details along with funding details of proposed expenditure to the Commission within one month from the date of issue of this Order.**

**Both the licensees are further directed that they shall regulate their capital expenditure plans for FY 2026-27 as per Regulations 9.7 to 9.12 of the Haryana Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) Regulations, 2024.**

## 5.2 Review of Technical Parameters

The Commission has reviewed the performance of distribution system of the Haryana DISCOMs based upon the details made available for FY 2024-25 & FY 2025-26 and examined the projections for FY 2026-27 based upon filing of their True up for FY 2024-25, Revised Aggregate Revenue Requirement of 2025-26 & proposed Aggregate Revenue Requirement for FY 2026-27 including subsequent submissions thereof as per Multi Year Tariff Regulations. The observations of the Commission in this regard are as follows: -

### Distribution Losses

The year-wise position of distribution losses as per the information provided by the petitioner(s) is tabulated as under:

| Financial Year      | UHBVNL | DHBVNL |
|---------------------|--------|--------|
| 2015– 2016          | 31.49% | 24.47% |
| 2016–2017           | 29.86% | 22.49% |
| 2017– 2018          | 24.81% | 19.16% |
| 2018– 2019          | 22.04% | 15.34% |
| 2019– 2020          | 19.01% | 14.37% |
| 2020–2021           | 17.21% | 16.93% |
| 2021-2022           | 13.96% | 13.55% |
| 2022-2023           | 10.32% | 11.42% |
| 2023-2024           | 9.15%  | 11.38% |
| 2024-2025           | 9.33%  | 10.26% |
| 2025-26 (Projected) | 10.00% | 10.00% |

| Financial Year      | UHBVNL | DHBVNL |
|---------------------|--------|--------|
| 2026-27 (Projected) | 9.85%  | 9.75%  |

It is evident from the distribution loss data (supra) that the distribution loss of UHBVNL & DHBVNL have decreased over the years. The Commission observes that distribution loss reduction is one of the key factors for financial sustainability of Discoms and expects that the Distribution Licensee(s) shall make concerted efforts to achieve the distribution loss targets fixed by the Commission by taking various initiatives including capital expenditure on system strengthening/ up gradation, installation of new technology-based energy meters, IT /AI interventions as well.

The year-wise position of the line losses on high loss 11kV rural and urban feeders of the licensee(s), as per the information provided by UHBVN and DHBVN, is tabulated as under: -

**a) Urban Feeder(s) -Losses**

| Year                                | FY 2023-24 |       | FY 2024-25 |       | FY 2024-25<br>(Apr-Sept.) |       | FY 2025-26<br>(Apr-Sept.) |       |
|-------------------------------------|------------|-------|------------|-------|---------------------------|-------|---------------------------|-------|
| DISCOM                              | UHBVN      | DHBVN | UHBVN      | DHBVN | UHBVN                     | DHBVN | UHBVN                     | DHBVN |
| Total Feeders                       | 925        | 1050  | 966        | 1107  | 949                       | 1094  | 1002                      | 1149  |
| Feeders with losses > 25%           | 0          | 16    | 1          | 14    | 5                         | 29    | 0                         | 16    |
| Feeders with losses > 25% (in %age) | 0.00       | 1.52  | 0.10       | 1.26  | 0.53                      | 2.65  | 0.00                      | 1.39  |

**b) RDS Feeders -Losses**

| Year                               | FY 2023-24 |       | FY 2024-25 |       | FY 2024-25<br>(Apr-Sept.) |       | FY 2025-26<br>(Apr-Sept.) |       |
|------------------------------------|------------|-------|------------|-------|---------------------------|-------|---------------------------|-------|
| DISCOM                             | UHBVN      | DHBVN | UHBVN      | DHBVN | UHBVN                     | DHBVN | UHBVN                     | DHBVN |
| Total Feeders                      | 1127       | 1196  | 1148       | 1231  | 1135                      | 1215  | 1176                      | 1256  |
| Feeders with losses >50%           | 62         | 240   | 50         | 221   | 57                        | 247   | 49                        | 197   |
| Feeders with losses >50% (in %age) | 5.50       | 20.07 | 4.36       | 17.95 | 5.02                      | 20.30 | 4.17                      | 15.68 |

The data in above table reveals that percentage number of urban feeders having losses more than 25% and rural feeders having losses more than 50% for the FY 2025-26 (Apr-Sept.) vis-a-vis for the corresponding period of FY 2024-25 (Apr-Sept.) have reduced for both DISCOMs. However, DISCOMs specifically DHBVN is still away from achieving the target to bring down losses of all feeders less than 25% in Urban and 50% in Rural area.

The Commission vide tariff order dated 28/03/2025 directed the DISCOMs to make all out efforts to reduce AT&C losses of all urban feeders below 20% and that of Rural feeders below 40%.

In response to the direction, UHBVN vide memo no. Ch-119/RA/F-173/Vol-(15) dated 16.06.2025 submitted as under:

The status of Loss Reduction in respect of Urban & RDS feeders is tabulated as under: -

| <b>RDS Feeders</b>                              | <b>FY 2023-24</b> | <b>FY 2024-25</b> |
|-------------------------------------------------|-------------------|-------------------|
| Total number of RDS feeders                     | 1127              | 1148              |
| Total no. of RDS Feeder having losses above 40% | 80                | 65                |
| Feeder having losses above 40% (in % age)       | 7.10%             | 5.66%             |

| <b>Urban Feeders</b>                              | <b>FY 2023-24</b> | <b>FY 2024-25</b> |
|---------------------------------------------------|-------------------|-------------------|
| Total number of Urban feeders                     | 925               | 966               |
| Total no. of Urban Feeder having losses above 20% | 0                 | 1                 |
| Feeder having losses above 20% (in % age)         | 0.00%             | 0.10%             |

UHBVN has successfully reduced the number of RDS feeders recording more than 40% losses from FY 2023–24 to FY 2024–25. The Nigam is making continuous and focused efforts to bring down the high loss levels of RDS feeders.

Now, RDS feeders having losses more than 40% are mostly Non-MGJG feeders. Nigam is making all efforts to bring these feeders under the ambit of MGJG Scheme. A Scheme under this regard is also under consideration.

1 No. Urban feeder, where losses are above 20%, directions have been passed to concerned officers for increasing the vigilance activities for reducing the losses below 20%.

Similarly, DHBVN Vide memo no Ch-74/SE/RA-788 dated 12/06/2025 submitted as under:

As on 31.03.2025, out of total 1107 Urban feeders there are 14 nos. (1.26%) Urban feeders having loss more than 25% whereas in Rural category there are 221 nos. (17.95%) RDS feeders having loss more than 50% out of a total of 1231 Rural feeders. The percentage of feeder having higher loss has decreased from 1.52% to 1.26% in Urban and 20.07% to 17.95% in Rural areas.

Furthermore, DHBVN vide Memo No Ch-385/EA-46/T-VII dated 11.04.2025 has already requested to all SEs/OP to make out all efforts to reduce losses of Urban and Rural feeders below 20% and 40 % respectively during FY 2025-26.

The Commission has considered the above submissions and observes that as per the directive, there should be no urban feeder with losses more than 25% and rural feeder with losses more than 50% in addition efforts be made to reduce AT&C losses of all urban feeders below 20% and that of Rural feeders below 40%. However, it is observed that in UHBVN has tried to reduce the losses whereas DHBVN has not provided any facts and figures for reduction of losses of Urban and Rural feeders below 20% and 40% respectively .

**The Commission directs the DISCOMs to make all out efforts to reduce AT&C losses of all urban feeders below 20% and that of Rural feeders below 40% and submit a report within three months.**

### 5.3 Loss Reduction Trajectory

The DISCOMs in their petitions for tariff determination for FY 2026-27, annual performance review (APR) for FY 2025-26 and true up for FY 2024-25 as per multiyear tariff mechanism, submitted the progress (Actual/projections) of distribution loss, collection efficiency (CE) and AT&C losses as under: -

| DISCOM              | UHBVNL                   |                              |                   | DHBVNL                   |                              |                    |
|---------------------|--------------------------|------------------------------|-------------------|--------------------------|------------------------------|--------------------|
| Year                | Distribution Loss (in %) | Collection Efficiency (in %) | AT& C Loss (in %) | Distribution Loss (in %) | Collection Efficiency (in %) | AT & C Loss (in %) |
| 2019-20             | 19.01                    | 99.26                        | 19.61             | 14.37                    | 98.79                        | 15.41              |
| 2020-21             | 17.21                    | 100.79                       | 16.55             | 16.93                    | 101.16                       | 15.97              |
| 2021-22             | 13.96                    | 101.46                       | 12.70             | 13.55                    | 101.12                       | 12.59              |
| 2022-23             | 10.32                    | 100.00                       | 10.32             | 11.42                    | 97.13                        | 13.96              |
| 2023-24             | 9.15                     | 100.00                       | 9.15              | 11.38                    | 100.03                       | 11.35              |
| 2024-25             | 9.33                     | 100.00                       | 9.33              | 10.26                    | 100.80                       | 9.54               |
| 2025-26 (Projected) | 10.00                    | 99.50                        | 10.05             | 10.00                    | 99.50                        | 10.05              |
| 2026-27 (Projected) | 9.85                     | 99.50                        | 10.30             | 9.75                     | 99.50                        | 10.20              |

The regulation (57.2) of HERC MYT Regulations in vogue provide for the following regulatory benchmarks:

### Norms for Collection Efficiency (%)

| Distribution Licensee | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 |
|-----------------------|------------|------------|------------|------------|------------|------------|
| UHBVNL                | 99.5%      | 99.5%      | 99.5%      | 99.5%      | 99.5%      | 99.5%      |
| DHBVNL                | 99.5%      | 99.5%      | 99.5%      | 99.5%      | 99.5%      | 99.5%      |

The Commission in its Tariff Order dated 05/03/2024, had considered and approved the distribution loss of 10% and AT&C loss of 10.05% and collection efficiency norms of 99.5% for the FY 2024-25. The Commission sought the actual AT&C Loss and actual collection efficiency along with the details of net input energy / net billed energy for FY 2024-25 from the petitioners. Accordingly, the petitioners had submitted the said information:

### AT&C Loss Calculation for FY 2024-25

| Particulars               | UHBVNL |           | DHBVNL |          |
|---------------------------|--------|-----------|--------|----------|
|                           | Target | Achieved  | Target | Achieved |
| Net Input Energy (In LU)  |        | 277915.45 |        | 398709.4 |
| Net Billed energy (In LU) |        | 251995.39 |        | 357790.2 |
| Distribution Loss         | 10.00% | 9.33%     | 10.00% | 10.26%   |
| Collection Efficiency     | 99.50% | 100%      | 99.50% | 100.80%  |
| <b>AT&amp;C Losses</b>    | 10.05% | 9.33%     | 10.05% | 9.55%    |

It can be seen from the table above that the Discoms viz. UHBVN and DHBVN have achieved distribution loss level of 9.33% and 10.26% respectively against the target of 10.00% as approved by the Commission in the Tariff Order dated 05/03/2024.

UHBVNL has submitted that the Licensee has achieved a distribution loss level lower than the approved trajectory during FY 2024-25 reflecting sustained efforts undertaken towards system strengthening, loss reduction, and operational efficiency improvement. Distribution loss been a controllable parameter, and any variation in actual performance vis-à-vis the approved trajectory is subject to sharing of gains or losses between the Distribution Licensee and the consumers. Owing to this overachievement, a gain of Rs. 53.75 crore has been realized due to reduction in power purchase requirement corresponding to the lower loss level.

DHBVNL has submitted that licensee has been making earnest efforts to reduce line losses and AT&C losses in the existing distribution network. The Petitioner is ensuring high HT & LT ratio, promoting rooftop solar system, introducing demand side management program, carrying out system strengthening works, tuning of time of use tariff and power regulatory

measures to contain its demand within the existing network capacity and optimization the load flow to maintain the line losses.

The Commission vide tariff order dated 28/03/2025 decided and fixed the following Distribution and AT&C Loss level for FY 2025-26 as under:

| <b>DISCOM</b>                       | <b>UHBVNL</b> | <b>DHBVNL</b> |
|-------------------------------------|---------------|---------------|
| <b>Distribution Loss (in %)</b>     | 10.00         | 10.00         |
| <b>Collection Efficiency (in %)</b> | 99.50         | 99.50         |
| <b>AT&amp;C Loss Target (in %)</b>  | 10.05         | 10.05         |

Further, the petitioners have submitted unaudited figures of AT & C loss and collections efficiency from April to September, 2025 as under: -

| <b>Particulars</b>        | <b>UHBVNL</b>       |                     | <b>DHBVNL</b>       |                     |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
|                           | <b>Apr-Sep 2024</b> | <b>Apr-Sep 2025</b> | <b>Apr-Sep 2024</b> | <b>Apr-Sep 2025</b> |
| Net Input Energy (In LU)  | 168482.2            | 163556.54           | 231938.0            | 216841.1            |
| Net Billed energy (In LU) | 142206.1            | 139486.37           | 192660.0            | 193580.1            |
| Distribution Loss         | 15.60%              | 14.72%              | 16.93%              | 10.73%              |
| Collection Efficiency     | 98.85%              | 99.71%              | 98.85%              | 98.85%              |
| <b>AT&amp;C Losses</b>    | <b>16.57%</b>       | <b>14.96%</b>       | <b>17.89%</b>       | <b>11.75%</b>       |

It has been observed that the AT & C loss figures of DISCOMs for the first half (H1) of FY 2024-25 is on higher side against the projections for FY 2025-26 under the current ARR petitions however, in general also, trends for AT& C loss in first half (H1) always remains on higher side as compared to 2<sup>nd</sup> half (H2). Further UHBVN and DHBVN in their proposal for FY 2025-26 requested to consider the distribution loss of 10% as approved by the Commission vide Order dated 05/03/2024. The Commission retains Distribution, Collection Efficiency & AT&C loss for FY 2025-26 as approved vide T.O. dated 05/03/2024.

Further the licensee(s) for FY 2026-27, have considered the collection efficiency as per the MYT Regulations, 2024 and accordingly proposed the distribution loss and AT&C loss as under:

| <b>Particulars</b>    | <b>UHBVN</b>      | <b>DHBVN</b>      |
|-----------------------|-------------------|-------------------|
|                       | <b>FY 2026-27</b> | <b>FY 2026-27</b> |
| Distribution Losses   | 9.85%             | 9.75%             |
| Collection Efficiency | 99.50%            | 99.50%            |
| AT&C Losses           | 10.30%            | 10.20%            |



The Commission observes that UHBVN had achieved distribution loss level of 9.33% in FY 2024-25 whereas it has projected a distribution loss level of 10.00% for FY 2025-26, which is 0.67% more than previous year, which cannot be accepted. Further, losses in DHBVN are higher than those in UHBVN. The Commission expects DHBVN to bring down the losses at least at par with UHBVN. Therefore, the Commission decides to peg the distribution loss for FY 2026-27 at 9.30 & 9.75% with collection efficiency of 99.5%.

| DISCOM                       | UHBVNL | DHBVNL |
|------------------------------|--------|--------|
| Distribution Loss (in %)     | 9.30%  | 9.75%  |
| Collection Efficiency (in %) | 99.50% | 99.50% |
| AT&C Loss Target (in %)      | 9.75%  | 10.20% |

#### 5.4 Distribution Transformers (DTs) failure rate

The HERC, (Standards of Performance of Distribution Licensees and Determination of Compensation) Regulations, 2020 at regulation 6.1(V) specified that Licensee shall have to maintain the transformer damage rate below 3% p.a. in urban area and 6% p.a. in rural area.

The year-wise status of damage rate of distribution transformers, as per the information provided by UHBVNL and DHBVNL is given as under: -

**Distribution Transformers Failure Rate**

| Sr. No | Year    |                | UHBVNL                                                                 |                                                                        | DHBVNL                                                                 |                                                                        |
|--------|---------|----------------|------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------|
|        |         |                | Failure Rate excluding transformers damaged within warranty period (%) | Failure Rate including transformers damaged within warranty period (%) | Failure Rate excluding transformers damaged within warranty period (%) | Failure Rate including transformers damaged within warranty period (%) |
| 1.     | 2015-16 | Urban          | 4.46                                                                   | 7.18                                                                   | 3.98                                                                   | 5.63                                                                   |
|        |         | Rural          | 5.38                                                                   | 9.3                                                                    | 6.14                                                                   | 9.70                                                                   |
|        |         | <b>Overall</b> | <b>5.38</b>                                                            | <b>9.13</b>                                                            | <b>5.94</b>                                                            | <b>9.32</b>                                                            |
| 2.     | 2016-17 | Urban          | 1.69                                                                   | 4.62                                                                   | 3.26                                                                   | 4.96                                                                   |
|        |         | Rural          | 3.67                                                                   | 7.53                                                                   | 6.67                                                                   | 10.53                                                                  |
|        |         | <b>Overall</b> | <b>3.50</b>                                                            | <b>7.27</b>                                                            | <b>6.31</b>                                                            | <b>9.95</b>                                                            |
| 3.     | 2017-18 | Urban          | 5.28                                                                   | 7.06                                                                   | 3.35                                                                   | 4.65                                                                   |
|        |         | Rural          | 6.65                                                                   | 9.84                                                                   | 5.90                                                                   | 9.41                                                                   |
|        |         | <b>Overall</b> | <b>6.52</b>                                                            | <b>9.59</b>                                                            | <b>5.58</b>                                                            | <b>8.82</b>                                                            |
| 4.     | 2018-19 | Urban          | 3.96                                                                   | 5.64                                                                   | 3.90                                                                   | 5.66                                                                   |
|        |         | Rural          | 6.68                                                                   | 10.19                                                                  | 6.00                                                                   | 9.80                                                                   |
|        |         | <b>Overall</b> | <b>6.43</b>                                                            | <b>9.77</b>                                                            | <b>5.74</b>                                                            | <b>9.28</b>                                                            |
| 5.     | 2019-20 | Urban          | 4.00                                                                   | 5.62                                                                   | 2.47                                                                   | 3.44                                                                   |

| Sr. No | Year     |                | UHBVNL                                                                 |                                                                        | DHBVNL                                                                 |                                                                        |
|--------|----------|----------------|------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------|
|        |          |                | Failure Rate excluding transformers damaged within warranty period (%) | Failure Rate including transformers damaged within warranty period (%) | Failure Rate excluding transformers damaged within warranty period (%) | Failure Rate including transformers damaged within warranty period (%) |
|        |          | Rural          | 6.48                                                                   | 9.60                                                                   | 3.56                                                                   | 5.45                                                                   |
|        |          | <b>Overall</b> | <b>6.24</b>                                                            | <b>9.22</b>                                                            | <b>3.42</b>                                                            | <b>5.20</b>                                                            |
|        |          |                |                                                                        |                                                                        |                                                                        |                                                                        |
| 6.     | 2020-21  | Urban          | 4.04                                                                   | 5.12                                                                   | 3.44                                                                   | 4.71                                                                   |
|        |          | Rural          | 6.22                                                                   | 9.15                                                                   | 6.10                                                                   | 8.76                                                                   |
|        |          | <b>Overall</b> | <b>6.01</b>                                                            | <b>8.75</b>                                                            | <b>5.75</b>                                                            | <b>8.23</b>                                                            |
| 7.     | 2021-22  | Urban          | 4.15                                                                   | 5.63                                                                   | 3.55                                                                   | 5.03                                                                   |
|        |          | Rural          | 6.10                                                                   | 8.69                                                                   | 6.36                                                                   | 9.46                                                                   |
|        |          | <b>Overall</b> | <b>5.91</b>                                                            | <b>8.38</b>                                                            | <b>5.99</b>                                                            | <b>8.87</b>                                                            |
| 8.     | 2022-23  | Urban          | 3.59                                                                   | 4.80                                                                   | 3.34                                                                   | 4.21                                                                   |
|        |          | Rural          | 5.48                                                                   | 7.74                                                                   | 5.88                                                                   | 8.15                                                                   |
|        |          | <b>Overall</b> | <b>5.28</b>                                                            | <b>7.44</b>                                                            | <b>5.55</b>                                                            | <b>7.64</b>                                                            |
| 9.     | 2023-24  | Urban          | 3.74                                                                   | 4.81                                                                   | 3.18                                                                   | 3.88                                                                   |
|        |          | Rural          | 5.34                                                                   | 7.56                                                                   | 5.65                                                                   | 7.49                                                                   |
|        |          | <b>Overall</b> | <b>5.17</b>                                                            | <b>7.27</b>                                                            | <b>5.32</b>                                                            | <b>7.01</b>                                                            |
| 10.    | 2024-25  | Urban          | 3.26                                                                   | 4.21                                                                   | 2.81                                                                   | 3.71                                                                   |
|        |          | Rural          | 5.16                                                                   | 7.10                                                                   | 5.70                                                                   | 7.79                                                                   |
|        |          | <b>Overall</b> | <b>4.96</b>                                                            | <b>6.79</b>                                                            | <b>5.32</b>                                                            | <b>7.25</b>                                                            |
| 11.    | 2025-26* | Urban          | 2.40                                                                   | 3.01                                                                   | 2.40                                                                   | 3.18                                                                   |
|        |          | Rural          | 4.00                                                                   | 5.28                                                                   | 4.23                                                                   | 5.86                                                                   |
|        |          | <b>Overall</b> | <b>3.83</b>                                                            | <b>5.04</b>                                                            | <b>3.98</b>                                                            | <b>5.50</b>                                                            |

\* till Sep-2025

The DT damage rate is to be analyzed on the basis of total number of DTs damaged, irrespective of the fact whether the transformer damaged was within warranty period or not, as all these DTs were part of the system. The Commission considered it appropriate to reflect the total DT damaged irrespective of damaged within warranty or not. The high level of transformer damage rate not only affect the continuity of supply adversely but also reflects upon poor monitoring and maintenance of distribution system which in turn also impacts the finances of the distribution licensees,

From the analysis of the data indicated in the above table, it is observed that Failure Rate of DTs in urban and rural area of UHBVN and DHBVN during FY 2024-25 is **4.96%** & **6.79%** and

**5.32%** and **7.25%** respectively, which is higher than the maximum limit prescribed by the Commission in the prevailing Standard of Performance Regulations.

The Commission observes that for FY 2024-25, overall transformer damage rate of DHBVN has deteriorated a little as compared to FY 2023-24.

Further as per the data submitted by UHBVN and DHBVN for first half of FY 2025-26 i.e April to Sept. 2025 the failure rate for UHBVN and DHBVN is 5.04% & 5.50% respectively. The higher rate of damage indicates mainly poor maintenance, application of higher size fuses and no proper earthing of transformer etc on distribution network.

**The Commission again directs the licensees to control the distribution transformer damage rate below the prescribed limits in the FY 2025-26. Any slippage on account of the limits prescribed shall be construed as violation/ non-compliance of the Regulations/Orders of the Commission. The licensees to work out a pro-active action plan to control the damage rate and submit a report on the progress within 3 months.**

As per MYT Regulations the distribution licensee shall maintain a proper record of failure of the distribution transformers in rural and urban category and submit the same in the quarterly report to the Commission and host the same on its website/portal on monthly basis without any failure. **The DISCOMs are again directed to ensure that quarterly reports be submitted regularly without fail and to host the circle wise information of failure of the distribution transformers in rural and urban category on its website regularly without fail.**

## 5.5 Non-replacement of Defective energy meters by the Distribution Licensees

The DISCOMs, in their respective petitions for True up for FY 2024-25, APR for FY 2025-26 and ARR for 2026-27, subsequently thereafter submitted the following details with respect to defective energy meters i.e. status of defective meters as on 31.03.2025, progress of defective meters replaced during FY 2025-26 and defective meters exists as on 30.09.2025 with detailed as under

### Status of Defective Meters in FY 2025-26

| Meter type | No. of defective meters |       |       | Replaced during FY 2025-26 |       |       | Defective meters as 30.09.2025 |       |       |
|------------|-------------------------|-------|-------|----------------------------|-------|-------|--------------------------------|-------|-------|
|            | (Ending March, 2025)    |       |       | (Up to 30/09/2025)         |       |       | (Ending Sept. 2025)            |       |       |
|            | Rural                   | Urban | Total | Rural                      | Urban | Total | Rural                          | Urban | Total |
| UHBVN      |                         |       |       |                            |       |       |                                |       |       |

| Meter type          | No. of defective meters |              |               | Replaced during FY 2025-26 |               |               | Defective meters as 30.09.2025 |              |               |
|---------------------|-------------------------|--------------|---------------|----------------------------|---------------|---------------|--------------------------------|--------------|---------------|
|                     | (Ending March, 2025)    |              |               | (Up to 30/09/2025)         |               |               | (Ending Sept. 2025)            |              |               |
|                     | Rural                   | Urban        | Total         | Rural                      | Urban         | Total         | Rural                          | Urban        | Total         |
| Single Phase Meters | 8,117                   | 5,619        | 13,736        | 44,264                     | 32,731        | 76,995        | 8,138                          | 5,311        | 13,449        |
| Three Phase Meters  | 667                     | 1,117        | 1,784         | 2,345                      | 5,188         | 7,533         | 721                            | 1,184        | 1,905         |
| <b>Total</b>        | <b>8,784</b>            | <b>6,736</b> | <b>15,520</b> | <b>46,609</b>              | <b>37,919</b> | <b>84,528</b> | <b>8,859</b>                   | <b>6,495</b> | <b>15,354</b> |
| <b>DHBVNL</b>       |                         |              |               |                            |               |               |                                |              |               |
| Single Phase Meters | 37,624                  | 6,113        | 43,737        | 41,528                     | 30,021        | 71,549        | 35,401                         | 7,427        | 42,828        |
| Three Phase Meters  | 945                     | 1,199        | 2,144         | 1,354                      | 6,859         | 8,213         | 1,179                          | 1,296        | 2,475         |
| <b>Total</b>        | <b>38,569</b>           | <b>7,312</b> | <b>45,881</b> | <b>42,882</b>              | <b>36,880</b> | <b>79,762</b> | <b>36,580</b>                  | <b>8,723</b> | <b>45,303</b> |

**The above figures are for meters other than AP connections.**

The Commission observes that the total number of defective meters as on 31.03.2025 in both DISCOMs were 61,401 (15,520 in UHBVNL and 45,881 in DHBVNL), after replacement of 1,64,290 defective meters (84,528 by UHBVNL & 79,762 by DHBVNL) during FY 2025-26, as on 30.09.2025, 60,657 meters are still defective (15,354 in UHBVNL and 45,303 in DHBVNL).

The Commission observes that, despite replacement of defective meters during the period from 31.03.2025 to 30.09.2025, the defective meters count in DHBVNL, as on 30.09.2025, is quite high. Further the count of defective meters in case of DHBVN has increased except single phase in rural areas. This is a matter of great concern and bound to reflect on financial health of the Distribution Licensee besides adversely affecting consumer satisfaction.

**DISCOMs are once again directed to clear the backlog of defective metering and to ensure that at no point of time the percentage of defective meters to the total number of meters in service exceeds 2% limit as per SOP regulations in vogue.**

**During the public hearings the consumers pointed out delayed action by the DISCOMs on testing of packed meters and replacement of the defective meters which is causing undue harassment to the consumers. The DISCOMs are directed to make a comprehensive action**

**plan on the same to ensure action with in stipulated time lines and submit the details within three months.**

## 5.6 Non-replacement of Electro-mechanical Meters

The Commission in tariff order dated 28/03/2025 had directed the DISCOMs to ensure replacement of all electromechanical meters within three month and submit compliance report immediately thereafter.

In compliance to above, both the DISCOMs submitted the progress of replacement of electromechanical meters and intimated that the maximum number of electromechanical meters are pending in such rural areas where work of MGJG scheme could not be completed due to public hindrance. All efforts are being made to complete MGJG schemes in the remaining rural areas. As and when MGJG work will be completed, all electromechanical meters will be replaced with electronic meters except AP.

Now the DISCOMs have submitted the progress of electromechanical meters replacement along with its latest status as on 30.09.2025 as under:

### Details of Electromechanical Meters Pending for Replacement

| Meter type          | No. of Electromechanical meters |          |              | Electromechanical meters replaced during FY 2025-26 |          |             | Electromechanical meters as 30.09.2025 |          |              |
|---------------------|---------------------------------|----------|--------------|-----------------------------------------------------|----------|-------------|----------------------------------------|----------|--------------|
|                     | (Ending March, 2025)            |          |              | Upto 30/09/2025                                     |          |             | (Ending Sept. '25)                     |          |              |
|                     | Rural                           | Urban    | Total        | Rural                                               | Urban    | Total       | Rural                                  | Urban    | Total        |
| <b>UHBVN</b>        |                                 |          |              |                                                     |          |             |                                        |          |              |
| Single Phase Meters | 7179                            | 0        | 7179         | 666                                                 | 0        | 666         | 6513                                   | 0        | 6513         |
| Three Phase Meters  | 0                               | 0        | 0            | 0                                                   | 0        | 0           | 0                                      | 0        | 0            |
| <b>Total</b>        | <b>7179</b>                     | <b>0</b> | <b>7179</b>  | <b>666</b>                                          | <b>0</b> | <b>666</b>  | <b>6513</b>                            | <b>0</b> | <b>6513</b>  |
| <b>DHBVNL</b>       |                                 |          |              |                                                     |          |             |                                        |          |              |
| Single Phase Meters | 25704                           | 0        | 25704        | 2137                                                | 0        | 2137        | 23567                                  | 0        | 23567        |
| Three Phase Meters  | 29048                           | 0        | 29048        | 83                                                  | 0        | 83          | 28965                                  | 0        | 28965        |
| <b>Total</b>        | <b>54752</b>                    | <b>0</b> | <b>54752</b> | <b>2220</b>                                         | <b>0</b> | <b>2220</b> | <b>52532</b>                           | <b>0</b> | <b>52532</b> |
| <b>Grand Total</b>  | <b>61931</b>                    | <b>0</b> | <b>61931</b> | <b>2886</b>                                         | <b>0</b> | <b>2886</b> | <b>59045</b>                           | <b>0</b> | <b>59045</b> |

The Commission observes that out of total electromechanical meters of 61931 (i.e. 7179 in UHBVN and 54752 in DHBVN) existed as on 31.03.2025, and 2886 electromechanical meters (i.e. 666 in UHBVN and 2220 in DHBVN) have been replaced during 2025-26 however as on 30.09.2025, 59045 electromechanical meters (i.e. 6513 in UHBVN and 52532 in DHBVN) are still to be replaced.

The pace of replacement of electromechanical meters has slowed down in both the DISCOMs as only 666 & 2220 electromechanical meters have been replaced in UHBVN & DHBVN respectively, in first six months of FY 2025-26.

**DISCOMs are directed to ensure replacement of all electromechanical meters within three months and submit compliance report immediately thereafter.**

## **5.7 Implementation of Smart metering Projects in Haryana**

The Commission in its Tariff order dated 28/03/2025 directed the to adhere to the timelines for the metering project for which the tenders have been floated by both DISCOMs which indicated that the timelines of Dec.25 and Dec.26 for phase I & II are likely to overshoot as there is completion period of 30 months after award of contracts. Discoms are directed to provide realistic time lines.

### **UHBVN**

About 5 Lakh Smart meters have been installed by M/s Energy Efficiency Services Ltd. In Panchkula, Panipat, Karnal, Pinjore, Kalka & Gharaunda town by FY 2023-24. Tenders for smart metering on balance areas were floated on Capex model could not be matured as prices received were exorbitant have been dropped. Fresh tender on Totex mode under RDSS shall be floated after confirmation from MoP, GoI w.r.t revoking the sanction of smart meter. A separate tender for installation of smart meter on Govt. connections is also being floated on Totex Mode, in view of the priority accorded by MoP, GoI to Government prepaid connections.

### **DHBVN**

About 3.71 Lakh Smart meters have been installed by M/s Energy Efficiency Services Ltd. in Gurugram and Faridabad town by FY 2023-24. Tenders for smart metering on balance areas

were floated on Capex model could not be matured as prices received were exorbitant have been dropped.

Fresh tender on Totex mode under RDSS shall be floated after confirmation from MoP, Gol w.r.t revoking the sanction of smart meter.

A separate tender for installation of smart meter on Govt. connections has been floated by UHBVN, on behalf of both the utilities on Totex Mode, in accordance with the SBD issued by MoP REC PFC, in view of the priority accorded by MoP, Gol to Government prepaid connections.

The Commission analysed the submissions of the petitioners and observes that the DISCOMs could not achieve the targets of installation of Smart Meter envisaged in National Tariff Policy 2016.

**Accordingly, the DISCOMs are advised to adhere to the timelines for the metering project.**

**Discoms are directed to provide time lines for completion of project.**

## 5.8 Pending electricity connection / load

The DISCOMs, in their petitions for true up of FY 2024-25, Annual Performance Review for FY2025-26 and Annual Revenue Requirement for FY 2026-27, have subsequently submitted information pertaining to connection/load release during 2024-25 and pending connections for release thereafter as under:

|                                          | Applications Pending as on 31.03.2024(1) |           | Applications received during 2024-25(2) |           | Connections released during 2024-25(3) |           | Pending Applications as on 01.04.2025 (1+2-3-Cancelled) |           |
|------------------------------------------|------------------------------------------|-----------|-----------------------------------------|-----------|----------------------------------------|-----------|---------------------------------------------------------|-----------|
|                                          | Nos.                                     | Load (KW) | Nos.                                    | Load (KW) | Nos.                                   | Load (KW) | Nos.                                                    | Load (KW) |
| <b>UHBVN</b>                             |                                          |           |                                         |           |                                        |           |                                                         |           |
| Agriculture Pump                         | 24247                                    | 283773    | 67                                      | 821       | 6165                                   | 76488     | 17867                                                   | 204970    |
| Bulk Domestic                            | 4                                        | 3989      | 6                                       | 4655      | 6                                      | 5144      | 3                                                       | 3025      |
| Bulk Supply                              | 2                                        | 468       | 5                                       | 453       | 4                                      | 469       | 2                                                       | 312       |
| Domestic                                 | 5381                                     | 11288     | 97599                                   | 206973    | 96617                                  | 205953    | 3928                                                    | 7428      |
| HT Industry                              | 216                                      | 523768    | 749                                     | 283101    | 611                                    | 237233    | 256                                                     | 537706    |
| Independent Hoarding and lighting (IHDL) | 0                                        | 0         | 0                                       | 0         | 0                                      |           | 0                                                       | 0         |
| Lift Irrigation                          | 7                                        | 1650      | 1360                                    | 34624     | 1253                                   | 27903     | 8                                                       | 2886      |
| LT Industry                              | 127                                      | 2966      | 1836                                    | 42616     | 1753                                   | 40434     | 117                                                     | 2961      |
| Non-Domestic                             | 1455                                     | 31664     | 26402                                   | 132698    | 25903                                  | 128128    | 1230                                                    | 29852     |

|                            | Applications Pending as on 31.03.2024(1) |                | Applications received during 2024-25(2) |                | Connections released during 2024-25(3) |                | Pending Applications as on 01.04.2025 (1+2-3-Cancelled) |                |
|----------------------------|------------------------------------------|----------------|-----------------------------------------|----------------|----------------------------------------|----------------|---------------------------------------------------------|----------------|
|                            | Nos.                                     | Load (KW)      | Nos.                                    | Load (KW)      | Nos.                                   | Load (KW)      | Nos.                                                    | Load (KW)      |
| Public water works         | 43                                       | 2762           | 517                                     | 14862          | 447                                    | 11890          | 75                                                      | 3242           |
| Railway Traction           | 1                                        | 5000           | 0                                       | 0              | 0                                      | 0              | 1                                                       | 5000           |
| Saubhagya                  | 660                                      | 881            | 11727                                   | 16291          | 11414                                  | 15802          | 612                                                     | 851            |
| Street Light               | 18                                       | 63             | 318                                     | 1620           | 295                                    | 1364           | 31                                                      | 282            |
| DMRC                       | 0                                        | 0              | 0                                       | 0              | 0                                      | 0              | 0                                                       | 0              |
| Food Processing Org. (FPO) | 8                                        | 139            | 204                                     | 1999           | 191                                    | 1861           | 12                                                      | 187            |
| E.Charging station (ECS)   | 41                                       | 12569          | 378                                     | 25912          | 91                                     | 5473           | 246                                                     | 19836          |
| <b>Total</b>               | <b>32210</b>                             | <b>880980</b>  | <b>141168</b>                           | <b>766625</b>  | <b>144750</b>                          | <b>758142</b>  | <b>24388</b>                                            | <b>818536</b>  |
| <b>DHBVN</b>               |                                          |                |                                         |                |                                        |                |                                                         |                |
| AP                         | 83009                                    | 842861         | 17519                                   | 226888         | 5779                                   | 65362          | 91701                                                   | 967878         |
| BDS                        | 67                                       | 152373         | 106                                     | 120630         | 59                                     | 97036          | 46                                                      | 85319          |
| BS                         | 10                                       | 28451          | 59                                      | 57866          | 3                                      | 3711           | 12                                                      | 36226          |
| DMRC                       |                                          |                | 2                                       | 4000           |                                        |                |                                                         |                |
| DS                         | 13183                                    | 39346          | 252469                                  | 959179         | 141786                                 | 352528         | 11705                                                   | 43603          |
| ECS                        | 35                                       | 8304           | 1479                                    | 95260          | 125                                    | 5526           | 332                                                     | 32938          |
| FPO                        | 44                                       | 373            | 710                                     | 6553           | 327                                    | 2753           | 84                                                      | 855            |
| HT Industry                | 151                                      | 235341         | 1010                                    | 341390         | 460                                    | 206555         | 219                                                     | 184931         |
| IHDL                       |                                          |                | 11                                      | 104445         |                                        |                | 1                                                       | 180            |
| LI                         | 22                                       | 1011           | 1366                                    | 38813          | 511                                    | 10181          | 51                                                      | 3425           |
| LT Industry                | 329                                      | 8015           | 4508                                    | 95104          | 2441                                   | 50129          | 272                                                     | 6670           |
| NDS                        | 2838                                     | 198437         | 58210                                   | 879698         | 31995                                  | 233311         | 3069                                                    | 181313         |
| PWW                        | 220                                      | 11789          | 1402                                    | 37994          | 602                                    | 16928          | 218                                                     | 8309           |
| RT                         | 2                                        | 32000          |                                         |                |                                        |                | 2                                                       | 32000          |
| Saubhagya                  | 98                                       | 120            | 1534                                    | 2048           | 779                                    | 1014           | 2                                                       | 2              |
| SL                         | 74                                       | 1012           | 1279                                    | 9204           | 463                                    | 3141           | 121                                                     | 1678           |
| <b>Total</b>               | <b>100082</b>                            | <b>1559431</b> | <b>341664</b>                           | <b>2979073</b> | <b>185330</b>                          | <b>1048175</b> | <b>107835</b>                                           | <b>1585325</b> |

Similarly, DISCOMs has submitted the progress for release of connections/load for FY 2025-26 upto September 2025 as under:

|                                          | Applications Pending as on 31.03.2025(1) |           | Applications received during 01.04.2025 to 30.09.2025(2) |           | Connections released during 1.04.2025 to 30.09.2025 |           | Pending Applications as on 01.10.2025 (1+2-3-Cancelled) |           |
|------------------------------------------|------------------------------------------|-----------|----------------------------------------------------------|-----------|-----------------------------------------------------|-----------|---------------------------------------------------------|-----------|
|                                          | Nos.                                     | Load (KW) | Nos.                                                     | Load (KW) | Nos.                                                | Load (KW) | Nos.                                                    | Load (KW) |
| <b>UHBVN</b>                             |                                          |           |                                                          |           |                                                     |           |                                                         |           |
| Agriculture Pump                         | 17867                                    | 204970    | 28                                                       | 339       | 2909                                                | 40840     | 14848                                                   | 162792    |
| Bulk Domestic                            | 3                                        | 3025      | 2                                                        | 899       | 1                                                   | 475       | 2                                                       | 1499      |
| Bulk Supply                              | 2                                        | 312       | 1                                                        | 55        | 1                                                   | 60        | 2                                                       | 307       |
| Domestic                                 | 3928                                     | 7428      | 60879                                                    | 122211    | 59417                                               | 119011    | 3723                                                    | 7238      |
| HT Industry                              | 256                                      | 537706    | 394                                                      | 144431    | 340                                                 | 128993    | 264                                                     | 539211    |
| Independent Hoarding and lighting (IHDL) | 0                                        | 0         | 0                                                        | 0         | 0                                                   |           | 0                                                       | 0         |



|                            | Applications Pending as on 31.03.2025(1) |                | Applications received during 01.04.2025 to 30.09.2025(2) |                | Connections released during 1.04.2025 to 30.09.2025 |               | Pending Applications as on 01.10.2025 (1+2-3-Cancelled) |                |
|----------------------------|------------------------------------------|----------------|----------------------------------------------------------|----------------|-----------------------------------------------------|---------------|---------------------------------------------------------|----------------|
|                            | Nos.                                     | Load (KW)      | Nos.                                                     | Load (KW)      | Nos.                                                | Load (KW)     | Nos.                                                    | Load (KW)      |
| Lift Irrigation            | 8                                        | 2886           | 2221                                                     | 46969          | 1818                                                | 36142         | 272                                                     | 7811           |
| LT Industry                | 117                                      | 2961           | 1064                                                     | 25764          | 1035                                                | 24620         | 131                                                     | 3773           |
| Non-Domestic               | 1230                                     | 29852          | 16172                                                    | 71162          | 15758                                               | 67105         | 1170                                                    | 28957          |
| Public water works         | 75                                       | 3242           | 199                                                      | 4959           | 218                                                 | 4695          | 50                                                      | 3328           |
| Railway Traction           | 1                                        | 5000           | 0                                                        | 0              | 0                                                   | 0             | 1                                                       | 5000           |
| Saubhagya                  | 612                                      | 851            | 759                                                      | 1085           | 1332                                                | 1880          | 0                                                       | 0              |
| Street Light               | 31                                       | 282            | 247                                                      | 1572           | 236                                                 | 1232          | 36                                                      | 593            |
| DMRC                       | 0                                        | 0              | 0                                                        | 0              | 0                                                   |               | 0                                                       | 0              |
| Food Processing Org. (FPO) | 12                                       | 187            | 197                                                      | 1886           | 190                                                 | 1910          | 13                                                      | 121            |
| E. Charging station(ECS)   | 246                                      | 19836          | 105                                                      | 8384           | 228                                                 | 16395         | 91                                                      | 9780           |
| <b>Total</b>               | <b>24388</b>                             | <b>818536</b>  | <b>82268</b>                                             | <b>429714</b>  | <b>83483</b>                                        | <b>443358</b> | <b>20603</b>                                            | <b>770407</b>  |
| <b>DHBVN</b>               |                                          |                |                                                          |                |                                                     |               |                                                         |                |
| AP                         | 91701                                    | 967878         | 5437                                                     | 73886          | 3739                                                | 51075         | 92049                                                   | 974969         |
| BDS                        | 46                                       | 85319          | 53                                                       | 115019         | 18                                                  | 22086         | 36                                                      | 86040          |
| BS                         | 12                                       | 36226          | 7                                                        | 794            | 4                                                   | 229           | 10                                                      | 36217          |
| DS                         | 11705                                    | 43603          | 133733                                                   | 450387         | 73432                                               | 180638        | 11479                                                   | 54511          |
| ECS                        | 332                                      | 32938          | 455                                                      | 29502          | 231                                                 | 15067         | 195                                                     | 25073          |
| FPO                        | 84                                       | 855            | 442                                                      | 4199           | 244                                                 | 2498          | 61                                                      | 525            |
| HT Industry                | 219                                      | 184931         | 558                                                      | 198978         | 267                                                 | 73607         | 234                                                     | 215684         |
| IHDL                       | 1                                        | 180            | 22                                                       | 120            | 7                                                   | 35            | 1                                                       | 180            |
| LI                         | 51                                       | 3425           | 2573                                                     | 53380          | 917                                                 | 16261         | 567                                                     | 13562          |
| LT Industry                | 272                                      | 6670           | 2449                                                     | 52815          | 1294                                                | 27506         | 370                                                     | 8749           |
| NDS                        | 3069                                     | 181313         | 32794                                                    | 316497         | 17954                                               | 120783        | 3245                                                    | 182192         |
| PWW                        | 218                                      | 8309           | 930                                                      | 28374          | 378                                                 | 6603          | 271                                                     | 12228          |
| RT                         | 2                                        | 32000          | 1                                                        | 3000           |                                                     |               | 2                                                       | 32000          |
| Saubhagya                  | 2                                        | 2              | 2                                                        | 4              |                                                     |               |                                                         |                |
| SL                         | 121                                      | 1678           | 265                                                      | 1531           | 154                                                 | 1655          | 70                                                      | 614            |
| <b>Total</b>               | <b>107835</b>                            | <b>1585325</b> | <b>179721</b>                                            | <b>1328485</b> | <b>98639</b>                                        | <b>518042</b> | <b>108590</b>                                           | <b>1642542</b> |
| <b>GT</b>                  | <b>132223</b>                            | <b>2403862</b> | <b>261989</b>                                            | <b>1758199</b> | <b>182122</b>                                       | <b>961400</b> | <b>129193</b>                                           | <b>2412949</b> |

As per the latest status of pending connections in UHBVN, as on 30.09.2025, a total 20603 applications (with applied load of 770.407 MW) have been shown pending out of which applications (with applied load of 539.221 MW) are under HT Supply category alone.

The Commission observes that although UHBVN has released a total load of 443.358 MW against total number application of 83,483 under various categories from 01.04.2025 to 30.09.2025, yet load of 770.407 MW is still pending for release.

DHBVN has released total load of 518.042 MW against total number application of 98,639 under various categories from 01.04.2025 to 30.09.2025, however still a total load of 1642.542 MW is still pending for release as on 01.10.2025.

In view of the above, the total pending load for release as on 30.09.2025 works out to 2412.949 MW which was 2403.862 MW as on 01.04.2025.

The Commission has taken a serious note of the fact that there are pending applications for new connection and load enhancement adding up to substantial cumulative load. Timely release of pending connections will result in consumer satisfaction besides augmentation of revenue from Sale of Power for the DISCOMs.

**The DISCOMs are directed to make all out efforts to release all pending connections within the time frame as specified in various law/regulations in-vogue and submit a status report regarding release of Non-AP connections/loads, within three months.**

### **5.9 24x7 Supply**

Rule No. 10 of the Electricity (Rights of Consumers) Rules, 2020 states:

*“Reliability of supply: - (1) The distribution licensee shall supply 24x7 power to all consumers. However, the Commission may specify lower hours of supply for some categories of consumers like agriculture.”*

**DISCOMs are directed to Expedite balance work of MGJG to make compliance of the said Rule and submit report within two months.**

### **5.10 Monitoring and Reporting of the Power Quality:**

The clause No. 5.10 (4) of the HERC (Standards of Performance of Distribution Licensees and Determination of Compensation) Regulations, 2020 states:

*“5.10 Monitoring of Power Quality*

*....*

*(4) In the first phase, the distribution licensee(s) shall install Power Quality meters at 5 locations each in their area of supply on pilot basis covering the 11 KV/33KV feeders, the DTs and designated customers with load more than 1MW and scale up there-after in consultation with the commission.”*

In the above Regulation it was clearly mandated to install Power Quality meters at five locations but no report has been submitted by the Licensees till date, however, a period of around five years has been lapsed.

**DISCOMs are directed to submit report in compliance of the above within 3 months of issue of the order.**

#### **5.11 Reliability Indices**

The clause No. 11 of the HERC (Standards of Performance of Distribution Licensees and Determination of Compensation) Regulations, 2020 inter alia states:

*“11.4 The Distribution Licensee shall maintain data on the reliability indices specified in Regulation 11.1 above for each zone/circle/division/sub-division on a monthly basis.*

*11.5 The Distribution Licensee shall post, at the end of each month, such monthly information on reliability indices, on website of the Distribution Licensee and shall submit such report quarterly to the Commission within 30 days after the expiry of respective quarter.*

*11.6 Based on the information submitted by licensees, the Commission shall notify annually the targeted levels of these indices to be achieved by the Licensee. In the event, the Distribution Licensee persistently neglects and fails to improve its performance, the Commission may take action against the Distribution Licensee as per provision under Section 24 or any other provision of the Act.”*

**DISCOMs are directed: -**

- a) to publish monthly data on reliability indices specified in Regulation 11.1 for each zone/circle/division/sub-division on their respective websites and submit report in compliance of the above within 2 months of issue of the order.**
- b) To review the proposal for target level of indices for 5 years to be achieved by the licensee for fixing trajectory of indices, within 2 months.**

## CHAPTER 6

### Aggregate Revenue Requirement (FY 2026-27)

#### 6.1 Brief Introduction

That regulation provides that the Aggregate Revenue Requirement for MYT Period is to be submitted for approval of Hon'ble Commission by 30th November of year preceding the first year of the Control Period.

The Regulation 11 of the HERC MYT Regulations, 2024, provides the provisions for deriving Aggregate Revenue Requirement and Tariff for each year of the Control Period. The relevant extracts of the aforesaid regulation are reproduced below:

***"11. MID-YEAR PERFORMANCE REVIEW AND TARIFF SETTING***

*11.1. The generating company and the licensee shall file an application for mid- year performance review, true-up of previous year and tariff for the ensuing year not less than 120 days before the close of each year of the control period, complete in all respects including the information in the existing formats as per present practice, till such time new formats are finalized by the Commission.*

*..."*

Further, the Regulation 73 of the HERC MYT Regulations, 2024, specifies the details of various parameters that are need to be incorporated in the ARR Petition. The Regulation also specified the time limit for filing the ARR Petition and other related submissions. The relevant extract of the aforesaid clause is reproduced below:

***"73. Tariff Filings***

***73.1. Tariff filing for the control period under MYT framework***

*73.1.1 The generating company and the licensees shall file an application for approval of ARR for their respective businesses for each year of the control period and tariff for the first year of the control period consistent with the business plan and the capital investment plan approved by the Commission. The ARR and tariff filing shall be filed by 30th November of the year preceding the 1st year of the control period along with requisite fee in accordance with the provisions of Haryana*

*Electricity Regulatory Commission (Fee) Regulations, 2022 as amended from time to time. The application shall contain all the components of the ARR and tariff as provided in these Regulations;*

*The MYT filing shall also contain an application for mid-year performance review of and true up petition.*

*73.1.2 The generation company and the licensees shall provide in the application forecast for each year of the control period of the various financial and operational parameters of ARR & various other components of the ARR and tariff relating to their respective businesses as mentioned in these Regulations. The application, in case of a distribution licensee and a transmission licensee shall also include:*

***i. For distribution licensee***

- a) Sales/demand forecast for each consumer category and sub- categories for each year of the control period and the methodology and rationale used;*
- b) Power procurement plan based on the sales forecast and distribution loss trajectory for each year of the control period. The power procurement plan should also keep in view energy efficiency and demand side management measures;*
- c) A set of targets proposed for other controllable items such as collection efficiency, recovery of bad debts, working capital, quality of supply targets, etc. The targets shall be consistent with the capital investment plan and business plan approved by the Commission;*
- d) Expected revenue from the licensed business, non-tariff income and income from other business for the base year and first year of the control period and other matters considered appropriate by the distribution licensee(s);*
- e) Number of consumers in each category, connected load in kW / kVA. Voltage wise estimates losses and cost of supply for various consumer categories per kW and per kWh/kVh.*
- f) The ARR for different years of the control period, the revenue gap and tariff proposal for meeting the revenue gap for first year of the control period. The*

*tariff proposal should be based on the cost of supply for various consumer categories and the cross-subsidy reduction road map.*

*g) Proposal for meeting the projected cumulative revenue gap for first year of the control period which shall include mechanism for meeting the proposed revenue gap, tariff revision for various consumer categories etc. In the absence of tariff proposal, the application/petition shall be considered as incomplete and shall be liable for rejection.*

*h) A statement of the effect of the proposed tariff changes on a typical small, average and large consumer in each tariff class. For this purpose, a typical small consumer is defined such that within the tariff class, 90% of the consumers supplied under that tariff within a 12-month period would have greater total expenditure on tariff charges than the small consumer. Similarly, a typical large consumer is defined such that 90% of the consumers supplied under the tariff would have lesser expenditure over a 12-month period than the typical large consumer. The average consumer shall be defined as a consumer having expenditure on tariff charges equal to the average expenditure in that tariff class.”*

In light of the above mentioned, the Discoms have submitted Aggregate Revenue Requirement (ARR) for FY 2026-27 by considering past actual data for pro-rata projections and escalation principles defined in the MYT Regulations, 2024. The financial components of the Aggregate Revenue Requirement for FY 2026-27 have been projected based on the past trend, regulatory norms, activities planned and undertaken for the ensuing year.

The Petition for True-up for FY 2024-25, Annual Performance Review of FY 2025-26 and determination of Aggregate Revenue Requirement and Tariff for FY 2026-27 has been considered and have been taken on record. The Commission’s analysis and order on each issue is discussed in the following paragraphs:

## **6.2 Assessment of Agriculture Tube well (AP) Sales:**

UHBVN submitted that the revised sales for FY 2025-26 have been estimated based on actual sales for the first half and projected sales of the second half. Energy sales for

second half is projected based on assumption of 5% growth. Even then the projected sales have declined from the approved projection in tariff order dated 28/03/2025.

DHBVN has submitted that energy sales for the second half have been projected on the basis of 3 years CAGR of actual sales of corresponding period in the past years.

The AP Sales Projection by DISCOMs for FY 2025-26 is as under:

| <b>Sr. No.</b> | <b>DISCOM</b>                    | <b>Approved in T.O. dated 28/03/2025</b> | <b>Revised AP sales FY 2025-26</b> |
|----------------|----------------------------------|------------------------------------------|------------------------------------|
| 1              | UHBVNL (MUs)                     | 3636.62                                  | 3468.99                            |
| 2              | DHBVNL (MUs)                     | 5668.65                                  | 6243.60                            |
| 3              | <b>Total AP Sales of DISCOMs</b> | <b>9304.27</b>                           | <b>9712.59</b>                     |

Further, UHBVN has projected following AP sales for FY 2026-27 by considering an assumed growth rate of 2.00% and DHBVN has considered 5.00% growth rate based on 3 years CAGR.

| <b>Sr. No.</b> | <b>DISCOM</b>                    | <b>AP sales FY 2026-27</b> |
|----------------|----------------------------------|----------------------------|
| 1              | UHBVNL (MUs)                     | 4208.98                    |
| 2              | DHBVNL (MUs)                     | 6944.08                    |
| 3              | <b>Total AP Sales of DISCOMs</b> | <b>11153.06</b>            |

The Commission notes that the actual agricultural power (AP) sales for FY 2024-25 touched 9625.85 MUs, while the projected total AP sales for Haryana for FY 2025-26 has been proposed 9712.59 MUs, reflecting an increase of 0.90%. For UHBVN, the actual sales for H1 have been reported as 2082.08 MUs. Assuming no growth in H2 sales compared to previous years, the projected sales for UHBVN would not exceed 3414.51 MUs. However, the projection of 3468.99 MUs submitted by UHBVN appears more realistic. Similarly, DHBVN has reported H1 sales of 2951.46 MUs. On similar assumption, if a growth 3.56% based on 3 years CAGR is considered in H2 sales compared to previous years, the projected sales for DHBVN would not exceed 5589.15 MUs, as such the proposed AP sales of 6243.60 MUs is on higher side.

Further, the projected AP sales by DISCOMs for FY 2026-27 is 11153.06 MU which is about 14.83% higher than the projected AP sales of 9712.59 MU for FY 2025-26 (as proposed on the basis of actual sales of H1 and projected sales of H2). Out of which the growth projected by UHBVN @21.33% seems on higher side, similarly the growth projected by DHBVN @11.22% is also on higher side vis-à-vis @12.28% in the previous

year which is also exorbitant.

The Commission adopted the actual AP sales approved for FY 2024-25 as the baseline. After evaluating growth trends using 2, 3, 5, and 7-year CAGR, the Commission has analysed and determined that the 5-year CAGR method is the most appropriate for calculating AP sales for UHBVN and DHBVNL.

However, AP sales for FY 2026-27 in the MYT control period vide order dated 28/03/2025 has been approved as 3,636.76 MUs for UHBVN and 5,748.06 MUs for DHBVN. The Commission also took note of the clearing of backlog of the tubewell connections during the public hearings and expects considerable growth in the AP consumption in future. After due deliberations and analysis, therefore decides to approve following AP sales for FY 2026-27 for both the DISCOMs.

| Sr. No. | AP sales FY 2026-27              | Approved (MUs)  |
|---------|----------------------------------|-----------------|
| 1       | UHBVNL (MUs)                     | 4052.23         |
| 2       | DHBVNL (MUs)                     | 6634.41         |
| 3       | <b>Total AP Sales of DISCOMs</b> | <b>10686.64</b> |

### 6.3 Assessment of Energy Sales for FY 2026-27 (Other Consumer Categories)

The Discoms, in their petition, have submitted that the Regulation 73 of the HERC MYT Regulations, 2024, specifies the provisions for submission of the sales forecast. The sales forecast has been projected based on the actual energy sales for FY 2024-25 and the Compound Annual Growth Rate (CAGR) of relevant duration. The CAGR of relevant duration having the adequate growth rate with respect to the expected increase in the number of consumers and connected load during FY 2026-27 has been considered for projecting the category wise energy sales. Any abnormal variation in CAGR has been adjusted by considering the normalize growth rate on manual basis.

#### UHBVNL

UHBVNL, in its petition, has submitted that the Category wise CAGR for energy sales for different duration is tabulated below: -

**UHBVNL Proposed Category wise CAGR for Energy Sales**

| Category | 2 Year | 3 Year | 5 Year | 7 Year | Selected CAGR |       |
|----------|--------|--------|--------|--------|---------------|-------|
| Domestic | 9%     | 10%    | 11%    | 11%    | Manual        | 5.00% |



| Category             | 2 Year | 3 Year | 5 Year | 7 Year | Selected CAGR |        |
|----------------------|--------|--------|--------|--------|---------------|--------|
| HT Supply            | 12%    | 12%    | 10%    | 10%    | 5-Yr CAGR     | 10.05% |
| LT Supply            | 9%     | 12%    | 5%     | 5%     | 5-Yr CAGR     | 4.84%  |
| Lift Irrigation      | -6%    | 0%     | -7%    | -6%    | Manual        | 2.00%  |
| Agriculture          | 0%     | 5%     | 0%     | 0%     | Manual        | 2.00%  |
| Bulk Supply          | 2%     | 13%    | 7%     | 5%     | 5-Yr CAGR     | 6.63%  |
| Bulk Supply Domestic | 14%    | 10%    | 0%     | 6%     | Manual        | 5.00%  |
| Street Lighting      | -2%    | 2%     | -4%    | -3%    | 3-Yr CAGR     | 2.23%  |
| Public Water Works   | -1%    | -3%    | 4%     | 5%     | 5-Yr CAGR     | 3.55%  |
| Agro Industries      | 21%    | 10%    | 0%     | 0%     | 3-Yr CAGR     | 9.77%  |
| Electric Vehicle     | -      | -      | -      | -      | Manual        | 40.00% |

In consideration to the CAGR, the category wise energy sales for FY 2026-27 has been projected. For Electric Vehicles there has been huge increase in the Connected Load, more than 100% in the past years because of the thrust and push by the Govt. of India to promote Electric Vehicles through various Policy initiatives. So, the Energy Sales have been projected with a manual CAGR of 40%. The details of the category wise energy sales projected for the FY 2026-27 are submitted in the table below:

**UHBVNL Proposed Category wise Energy Sales for MYT Period**

| Category                  | FY 2026-27       |
|---------------------------|------------------|
| Domestic                  | 8,690.74         |
| HT Industry               | 11,321.59        |
| LT Industry               | 3,047.73         |
| Lift Irrigation           | 46.55            |
| Agriculture               | 4,208.98         |
| Bulk Supply               | 402.04           |
| Bulk Supply Domestic      | 84.58            |
| Street Lighting           | 71.86            |
| Public Water Works        | 657.23           |
| Agro Industries           | 8.59             |
| Electric Charging Station | 1.04             |
| <b>Total</b>              | <b>28,540.94</b> |

## DHBVNL

DHBVNL, in its petition, has submitted that the Category wise energy sales for FY 2026-27 have been projected by considering Compound Annual Growth Rate (CAGR) of previous years' sales.

CAGR of different years for projecting category wise energy sales is tabulated as under: -

**Proposed CAGR by DHBVNL**

| Particulars        | 2 Years | 3 Years | 5 Years | 7 Years | CAGR    | Selected CAGR |
|--------------------|---------|---------|---------|---------|---------|---------------|
| Domestic           | 10%     | 11%     | 10%     | 11%     | Manual  | 5%            |
| HT – Industry      | 19%     | 18%     | 14%     | 11%     | 7 Years | 11%           |
| LT – Industry      | 4%      | 8%      | 5%      | 4%      | 3 Years | 8%            |
| Agriculture/FPO    | 0%      | 0%      | 0%      | 0%      | Manual  | 10%           |
| Agriculture        | 3%      | 5%      | 1%      | 2%      | 3 Years | 5%            |
| Bulk Supply        | 17%     | 18%     | 11%     | 12%     | Manual  | 5%            |
| Lift Irrigation    | -4%     | -1%     | -1%     | 0%      | Manual  | 5%            |
| Street Lightning   | 10%     | 7%      | 1%      | 3%      | 5 Years | 1%            |
| Public Water Works | 2%      | 1%      | 3%      | 4%      | 5 Years | 3%            |

DHBVN submitted that the growth in Domestic energy sales during the recent past is attributable to implementation of various State Government and Discom initiatives such as Online Citizen Services, Mhara Goan Jag Mag Goan Scheme, Feeder Sanitization Scheme, and intensive vigilance drives. Further, increasing penetration of rooftop solar PV systems in Haryana, supported by State and Central Government policies and net-metering provisions, is expected to progressively moderate incremental grid demand from domestic consumers. Considering demand stabilization post saturation of schemes and gradual impact of rooftop solar penetration, a manual growth rate of 5.00% has been considered appropriate and realistic for projection of domestic energy sales.

Major thrust is being given for timely release of HT Industry connections, which has supported load growth in this segment. Keeping in view the load growth of HT Supply, 7-year CAGR is considered for projecting HT Supply sales.

LT Supply sales in this segment exhibit relatively stable growth linked with urbanization and expansion of small businesses. The recent trend indicates recovery and consistency in LT demand. Accordingly, 3-year CAGR is considered for LT Supply, as it appropriately captures the demand behavior without overstating long-term growth.

Agriculture sales are attributable to ground water table, strength of monsoon and release of new tubewell connections. DHBVN has planned to release ~9,000 AP Tube well connections by FY 2026-27, therefore the growth rate of 5.00% has been considered as per 3-Year CAGR to project sales for AP Category in FY 2026-27.

Bulk Supply sales exhibit volatility due to non-recurring nature of demand and migration of bulk consumers to alternate supply arrangements. In order to avoid over-projection based on short-term fluctuations, a manual growth rate of 5.00% has been adopted for projection of Bulk Supply energy sales.

Energy sales under Lift Irrigation, Street Lighting and Public Water works have been projected by adopting a conservative CAGR of 5.00%, 1.00% and 3.00%, respectively.

In view of above, the following category wise energy sales is provided below:

**DHBVNL Proposed Statement of Sales for FY 2026-27 (MU)**

| <b>Particulars</b>        | <b>FY 2026-27</b> |
|---------------------------|-------------------|
| <b>Domestic</b>           | 11,453.44         |
| <b>HT – Supply</b>        | 14,918.70         |
| <b>LT – Supply</b>        | 4,304.88          |
| <b>Agriculture/FPO</b>    | 14.86             |
| <b>Agriculture</b>        | 6,944.08          |
| <b>Bulk Supply</b>        | 1,919.47          |
| <b>Lift Irrigation</b>    | 220.61            |
| <b>Street Light</b>       | 113.56            |
| <b>Public Water Works</b> | 834.50            |
| <b>Total</b>              | 40,724.11         |

In view of above projections, the Discoms have prayed that the Hon'ble Commission may approve the category wise energy sales projections for FY 2026-27, as presented above.

**The Commission has perused the methodology adopted by the petitioner(s) for projecting consumer category wise sales for the FY 2026-27. The Commission observed that there is no stable growth pattern and accordingly, the petitioners have projected the sales based on 7-year CAGR/ 5-year CAGR/2-year CAGR or some random growth rate has been considered. The Commission, for projection of consumer category wise sales for the FY 2026-27, has considered a 3 years CAGR as 5-year CAGR proposed by the DISCOMs, would have included the abnormal impact of period effected by COVID**

**pandemic. However, CAGR of 5 years has been considered for LT Industry and Agriculture (metered) category, after exercising due prudence.**

**Nevertheless, Lift Irrigation and EV sale projections have been enhanced by 2% and 40%, respectively, for both the discoms. Further, for DHBVNL, Agri/FPO projections have been approved as proposed @10% CAGR, due to non-availability of Agri/FPO data for the past 3 years and Agriculture (un-metered) projections have been projected same as actual for FY 2024-25, thereby assuming the same will be eventually down streamed in due period of time.**

**Also, for the categories where CAGR is coming negative or where there is no historic 5-year data, projections as proposed by discoms have been considered. Resultantly, the sales approved by the Commission is presented in the table below: -**

**UHBVNL: Approved Sales (MUs) FY 2026-27**

| <b>Category of Consumers</b>        | <b>2026-27</b>  |
|-------------------------------------|-----------------|
| Domestic                            | <b>9595.87</b>  |
| HT Industries                       | <b>11750.54</b> |
| LT Industries                       | <b>3047.73</b>  |
| Lift Irrigation                     | <b>46.55</b>    |
| Agriculture (Metered and unmetered) | <b>4052.23</b>  |
| Bulk Supply                         | <b>448.76</b>   |
| Bulk Supply Domestic                | <b>93.17</b>    |
| Street Lightning                    | <b>71.86</b>    |
| Public Water Works                  | <b>657.23</b>   |
| Agro Industry                       | <b>8.59</b>     |
| EV Charging Stations                | <b>1.04</b>     |
| <b>Total</b>                        | <b>29773.57</b> |

**DHBVNL: Approved Sales (MUs) FY 2026-27**

| <b>Category of Consumers</b>        | <b>2026-27</b>  |
|-------------------------------------|-----------------|
| Domestic                            | 12902.70        |
| HT Industries                       | 15043.20        |
| LT Industries                       | 4430.37         |
| Lift Irrigation                     | 208.19          |
| Agriculture (Metered and unmetered) | 6634.41         |
| Bulk Supply                         | 1534.02         |
| Bulk Supply Domestic                | 890.13          |
| Street Lightning                    | 125.55          |
| Public Water Works                  | 834.50          |
| Agro Industry                       | 14.86           |
| EV Charging Stations                | 2.62            |
| <b>Total</b>                        | <b>42620.55</b> |

#### UHBVNL and DHBVNL: Approved Sales (MUs) FY 2026-27

| Category of Consumers           | UH       | DH       | TOTAL    |
|---------------------------------|----------|----------|----------|
|                                 | 2026-27  | 2026-27  | 2026-27  |
| Domestic                        | 9595.87  | 12902.70 | 22498.56 |
| HT Industries                   | 11750.54 | 15043.20 | 26793.74 |
| LT Industries                   | 3047.73  | 4430.37  | 7478.10  |
| Lift Irrigation                 | 46.55    | 208.19   | 254.74   |
| Agriculture (Metered+unmetered) | 4052.23  | 6634.41  | 10686.64 |
| Bulk Supply                     | 448.76   | 1534.02  | 1982.78  |
| Bulk Supply Domestic            | 93.17    | 890.13   | 983.30   |
| Street Lightning                | 71.86    | 125.55   | 197.41   |
| Public Water Works              | 657.23   | 834.50   | 1491.73  |
| Agro Industry                   | 8.59     | 14.86    | 23.45    |
| EV Charging Stations            | 1.04     | 2.62     | 3.66     |
| Total                           | 29773.57 | 42620.55 | 72394.12 |

#### 6.4 Power Purchase Quantum and Cost

##### Projections by the Discoms (FY 2026-27): -

In the petition(s) under consideration of the Commission, it is observed that the Discoms have submitted that the Power procurement has been made by the Haryana Power Purchase Center (HPPC) for the Haryana Discoms. The long term tied up generating stations approved by the Hon'ble Commission are largely used for power procurement. The long-term tie ups for Haryana are from the Central Generating Plants such as NTPC, NHPC, NPCIL & UMPP, Shared Power Projects such as HPGCL, BBMB & SJVNL and Independent Power Producers, like Adani Power, Lanco, GMR and others.

The energy availability from the existing generating plants has been projected based on the tied-up capacity of the plants and average actual annual availability of plants in last five years. The energy availability from the newly tied up generating plants has been projected based on the normative PLF defined for respective fuel categories.

Energy availability between the Haryana Discoms has been allocated based on the ratio of their energy requirement at the state periphery. Energy requirement for both the Discoms has been projected by considering their energy sales projections and distribution loss reduction trajectory and Intra-state losses as submitted above.

The Principle of the Merit Order Dispatch (MOD) has been applied for estimating the energy availability from long term tied-up generating sources. Further, the Minimum

Technical Permissible limit of the thermal/gas generating stations has been undertaken for estimating the energy availability. The energy surplus created on monthly basis has been considered as banked power and availed back in the months having power deficit.

The surplus energy left even after banking of power is traded under the short-term regime at the average variable energy charges.

Addition in installed capacity to project energy availability for each year is tabulated as under:

**Proposed Year Wise Capacity Addition for FY 2026-27(MW)**

| Plant Type                          | Existing Plants<br>As on 01.09.2025 | FY<br>2025-26 | FY<br>2026-27 | Total         |
|-------------------------------------|-------------------------------------|---------------|---------------|---------------|
| Thermal                             | 9,611                               | 400           | -             | 10,011        |
| Hydro                               | 2,800                               | 50            | 61            | 2,911         |
| Nuclear                             | 101                                 | -             | -             | 101           |
| Solar                               | 1,214                               | 101           | 150           | 1,465         |
| Wind                                | 714                                 | -             | -             | 714           |
| Biomass/WTE/Sugar Mills/Paddy Straw | 160                                 | 3             | -             | 163           |
| Hybrid                              | 476                                 | 300           | 750           | 1,526         |
| <b>Total</b>                        | <b>15,076</b>                       | <b>854</b>    | <b>961</b>    | <b>16,891</b> |

The Energy rate for FY 2026-27 have been considered with escalation of 4% y-o-y over the actual Billed in FY 2024-25. Fixed Charges for FY 2025-26 have been considered with escalation of 2% y-o-y on the actual fixed charges paid to generators in FY 2024-25. It has been observed that Energy and Fixed rates (per unit) have increased with a CAGR of 5% and 2% respectively over the last 3 FYs, i.e., from FY 2021-22 to FY 2024-25.

Power purchase cost for energy sourced from CGPL, GMR, Sasan and Adani Power is projected in accordance to their quoted price in PPA. Component of Change in Law applicable in their tariff is kept equivalent to the current billing rate of respective plants.

The summary of the estimates of the power purchase cost including interstate and intrastate transmission charges are submitted in the table below: -

**Summary of Projected Power Purchase Cost – UHBVNL (in Crores)**

| Particulars                      | Projected        |
|----------------------------------|------------------|
| Power Purchase Cost              | 15,778.45        |
| Interstate Transmission Charges  | 1,149.47         |
| Intrastate Transmission Charges  | 959.96           |
| <b>Total Power Purchase Cost</b> | <b>17,887.88</b> |

**Summary of Projected Power Purchase Cost – DHBVNL (in Crores)**

| <b>Particulars</b>               | <b>FY 2026-27</b> |
|----------------------------------|-------------------|
| Power Purchase Cost              | 22,448.79         |
| Interstate Transmission Cost     | 1,492.29          |
| Intrastate Transmission Cost     | 1,133.17          |
| <b>Total Power Purchase Cost</b> | <b>25,114.25</b>  |

The discoms prayed to allow the proposed power purchase cost for FY 2026-27.

**Commission's Estimate of Power Purchase Quantum and Cost: -**

The Commission has taken note of the methodology for projecting availability of power by the Discoms for the FY 2026-27 as mentioned in the preceding paragraphs. The Commission has considered the submissions and is of the view that the Central Electricity Authority (CEA), in consultation with the generators, publishes a month wise schedule of expected generation after considering the planned shutdown as well as commissioning of new units. Hence, as per past practice, the Commission is of the considered view that the CEA's generation targets for the generators located in different corners of the country is a reliable estimate to arrive at projected power availability for the Discoms in Haryana in the FY 2026-27. However, it is observed that as of now CEA's generation targets are available for the FY 2025-26 and not for the FY 2026-27 i.e. the ARR year. Further, the actual source wise power purchase quantum and cost is also not available for the entire year. Consequently, the Commission has adjusted the FY 2024-25 generation figures for the trend in source wise actual drawl, auxiliary consumption, free home state shares wherever applicable. In the case of new sources and RE sources, the Commission has considered the quantum as proposed and in the case of HPGCL the same has been considered as per the Commission's order in the matter of determination of generation tariff for various power plants owned and operated by the intrastate generator. Additionally, for working out the cost, the Commission has considered the PPA rates, source wise actual fixed cost and average Energy Charges incurred in the FY 2024-25, adjusted for the anticipated increase as also proposed by the Discoms in the present petition under consideration. Escalation in fixed cost has been considered @ 5% p.a. over the fixed cost incurred in the FY 2024-25, as both the Tariff Regulations i.e. CERC as well as HERC provides for the escalation

**factor @ 5.47% p.a. and Dearness Allowance (DA) of the employees is increasing on an average rate of 5-6% p.a.**

**The source wise quantum and cost of power assessed above, shall not be construed as approval of a source i.e. generating stations / traders. The Discoms shall ensure that power is procured only from the sources approved by the Commission and for which a valid PPA (as approved by the Commission) exists. It is added that the Commission has not approved any short-term purchases as proposed by the Discoms as this would depend on quite a few factors, difficult to project, at this stage. However, the Discoms may manage the day to day exigencies by selling / buying power on day ahead or real time basis as the situation may warrant.**

**A summary of source wise power purchase quantum and cost approved by the Commission is presented in the table that follows: -**

**HERC Approved Power Purchase Quantum & Cost FY 2026-27**

| SN | Project                    | Quantum (Mus)   | Energy Charges (Cr) | Fixed Charges(Cr) | Total (Cr)      | V.C./Rs Unit | T.C./Rs Unit |
|----|----------------------------|-----------------|---------------------|-------------------|-----------------|--------------|--------------|
| •  | Anta                       | -               | -                   | -                 | -               |              |              |
| •  | Auriya                     | -               | -                   | -                 | -               |              |              |
| •  | Dadri                      | -               | -                   | -                 | -               |              |              |
| •  | Faridabad Gas              | 60.99           | 76.27               | 276.87            | 353.14          | 12.51        | 57.90        |
| •  | Feroz Gandhi Unchahar-1    | 50.41           | 20.87               | 9.16              | 30.03           | 4.14         | 5.96         |
| •  | Feroz Gandhi Unchahar-2    | 116.95          | 47.45               | 20.05             | 67.49           | 4.06         | 5.77         |
| •  | Feroz Gandhi Unchahar-3    | 61.33           | 24.89               | 11.35             | 36.24           | 4.06         | 5.91         |
| •  | Feroz Gandhi Unchahar-4    | 179.69          | 70.37               | 53.62             | 123.99          | 3.92         | 6.90         |
| •  | Farraka Super Thermal      | 60.78           | 21.66               | 7.69              | 29.36           | 3.56         | 4.83         |
| •  | Kahalgaon-1                | 151.23          | 46.69               | 23.47             | 70.17           | 3.09         | 4.64         |
| •  | Kahalgaon-2                | 418.01          | 120.59              | 48.68             | 169.27          | 2.88         | 4.05         |
| •  | Koldam                     | 315.21          | 73.01               | 80.86             | 153.87          | 2.32         | 4.88         |
| •  | Rihand Thermal Power St.-1 | 464.20          | 85.41               | 41.31             | 126.72          | 1.84         | 2.73         |
| •  | Rihand Thermal Power St.-2 | 415.42          | 75.98               | 37.74             | 113.72          | 1.83         | 2.74         |
| •  | Rihand Thermal Power St.-3 | 423.63          | 76.77               | 66.18             | 142.95          | 1.81         | 3.37         |
| •  | Singrauli Super Thermal    | 1,460.76        | 271.76              | 123.10            | 394.85          | 1.86         | 2.70         |
| •  | NCTPS (DADRI-I)            | -               | -                   | 0.22              | 0.22            |              |              |
| •  | NCTPS (DADRI-II)           | 9.37            | 4.38                | 1.23              | 5.61            | 4.67         | 5.98         |
| •  | Singrauli Hydro            | 0.14            | 0.07                | 0.01              | 0.09            | 5.45         | 6.33         |
| •  | Tanda Super TPS-2          | 9.02            | 3.02                | 1.35              | 4.38            | 3.35         | 4.85         |
|    | <b>TOTAL NTPC LTD (A)</b>  | <b>4,197.13</b> | <b>1,019.18</b>     | <b>802.90</b>     | <b>1,822.07</b> | <b>2.43</b>  | <b>4.34</b>  |
| •  | Bairasuil                  | 208.49          | 29.90               | 30.82             | 60.72           | 1.43         | 2.91         |
| •  | Salal                      | 485.63          | 40.77               | 106.88            | 147.65          | 0.84         | 3.04         |
| •  | Tanakpur                   | 24.19           | 6.48                | 9.45              | 15.93           | 2.68         | 6.58         |
| •  | Chamera-I                  | 324.02          | 39.82               | 34.57             | 74.39           | 1.23         | 2.30         |
| •  | URI                        | 136.05          | 14.07               | 18.80             | 32.87           | 1.03         | 2.42         |



| SN | Project                        | Quantum (Mus)   | Energy Charges (Cr) | Fixed Charges(Cr) | Total (Cr)    | V.C./Rs Unit | T.C./Rs Unit |
|----|--------------------------------|-----------------|---------------------|-------------------|---------------|--------------|--------------|
| •  | Chamera-II                     | 75.93           | 9.90                | 13.75             | 23.65         | 1.30         | 3.11         |
| •  | Dhauliganga                    | 71.76           | 9.94                | 12.38             | 22.31         | 1.38         | 3.11         |
| •  | Dhulhasti                      | 127.45          | 30.37               | 38.50             | 68.87         | 2.38         | 5.40         |
| •  | SEWA-II                        | 26.27           | 6.27                | 8.98              | 15.25         | 2.39         | 5.81         |
| •  | Chamera III                    | 90.07           | 20.34               | 26.25             | 46.60         | 2.26         | 5.17         |
| •  | Parbati III                    | 170.64          | 25.14               | 27.66             | 52.80         | 1.47         | 3.09         |
| •  | URI-II                         | 87.21           | 20.03               | 24.71             | 44.73         | 2.30         | 5.13         |
| •  | Kishanganga                    | 11.12           | 2.87                | 2.75              | 5.62          | 2.58         | 5.05         |
|    | <b>TOTAL NHPC LTD (B)</b>      | <b>1,838.84</b> | <b>255.89</b>       | <b>355.51</b>     | <b>611.39</b> | <b>1.39</b>  | <b>3.32</b>  |
| •  | SJVNL(Nathhpa Jhakri)          | 323.70          | 42.06               | 47.46             | 89.52         | 1.30         | 2.77         |
| •  | SJVNL (Rampur)                 | 85.83           | 18.89               | 28.47             | 47.36         | 2.20         | 5.52         |
| •  | THDC (Tehri)                   | 235.55          | 50.42               | 57.33             | 107.75        | 2.14         | 4.57         |
| •  | THDC (Koteshwar)               | 53.85           | 16.68               | 19.24             | 35.91         | 3.10         | 6.67         |
| •  | <b>THDC (Khurja)</b>           | -               | -                   | -                 | -             |              |              |
| •  | <b>THDC(Tehri) PSP</b>         | -               | -                   | -                 | -             |              |              |
| •  | RAPS                           | 490.63          | 190.01              | 0.03              | 190.04        | 3.87         | 3.87         |
| •  | NAPS                           | 200.89          | 64.86               | 0.01              | 64.87         | 3.23         | 3.23         |
| •  | BBMB                           | 3,677.94        | -                   | 288.62            | 288.62        | -            | 0.78         |
| •  | PTC Tala                       | 21.08           | 5.17                | -                 | 5.17          | 2.46         | 2.46         |
| •  | JK PDC                         | 917.28          | 362.13              | -                 | 362.13        | 3.95         | 3.95         |
| •  | Baglihar HEP Stage-I           | -               | -                   | -                 | -             |              |              |
| •  | Baglihaar HEP Stage-II         | -               | -                   | -                 | -             |              |              |
| •  | Aravali Power Co. Pvt. Ltd.    | 4,229.25        | 1,915.69            | 930.95            | 2,846.64      | 4.53         | 6.73         |
| •  | Jhajjar Power Ltd.             | 7,379.05        | 3,378.02            | 658.44            | 4,036.46      | 4.58         | 5.47         |
| •  | Pragati Power                  | 155.85          | 104.83              | 144.52            | 249.35        | 6.73         | 16.00        |
| •  | Coastal Gujrat Power Ltd.      | -               | -                   | 166.66            | 166.66        |              |              |
| •  | Adani Power Ltd                | 9,277.91        | 3,263.23            | 1,002.15          | 4,265.38      | 3.52         | 4.60         |
| •  | Sasan Power Limited            | 3,268.86        | 465.78              | 55.78             | 521.56        | 1.42         | 1.60         |
| •  | PTC GMR Kamalanga              | 2,112.83        | 476.77              | 312.84            | 789.62        | 2.26         | 3.74         |
| •  | PTC Karchamwangtoo(200MW)      | 971.62          | 109.82              | 97.95             | 207.77        | 1.13         | 2.14         |
| •  | PTC Karchamwangtoo(116MW)      | 926.64          | 98.62               | 56.67             | 155.29        | 1.06         | 1.68         |
| •  | PTC Lanco Amarkantak (Linkage) | 1,898.64        | 471.07              | 243.62            | 714.69        | 2.48         | 3.76         |
| •  | DVC Mejia                      | 630.52          | 231.04              | 118.75            | 349.79        | 3.66         | 5.55         |
| •  | DVC Koderma                    | 637.43          | 208.89              | 130.28            | 339.17        | 3.28         | 5.32         |
| •  | DVC Raghunathpura              | 455.48          | 165.66              | 119.95            | 285.60        | 3.64         | 6.27         |
| •  | Neepco                         | 45.60           | 19.73               | 0.19              | 19.91         | 4.33         | 4.37         |
| •  | Gati                           | 422.02          | 162.50              | 0.44              | 162.94        | 3.85         | 3.86         |
| •  | Dans                           | 501.90          | 235.60              | -                 | 235.60        | 4.69         | 4.69         |
| •  | Shiga                          | 511.45          | 226.76              | -                 | 226.76        | 4.43         | 4.43         |
| •  | IA HYDRO                       | 140.16          | 63.07               | -                 | 63.07         | 4.50         | 4.50         |
| •  | JSW (Kuter)                    | 830.00          | 373.50              | -                 | 373.50        | 4.50         | 4.50         |
| •  | HPGCL Panipat Unit-VI          | 1,422.93        | 666.20              | 158.55            | 824.75        | 4.68         | 5.80         |
| •  | HPGCL Panipat Unit-VII         | 1,703.27        | 805.65              | 237.27            | 1,042.92      | 4.73         | 6.12         |
| •  | HPGCL Panipat Unit-VIII        | 1,703.27        | 805.65              | 247.04            | 1,052.68      | 4.73         | 6.18         |
| •  | HPGCL DCRTTP unit-1            | 2,043.93        | 885.02              | 216.59            | 1,101.62      | 4.33         | 5.39         |

| SN | Project                               | Quantum (Mus)    | Energy Charges (Cr) | Fixed Charges(Cr) | Total (Cr)       | V.C./Rs Unit | T.C./Rs Unit |
|----|---------------------------------------|------------------|---------------------|-------------------|------------------|--------------|--------------|
| •  | HPGCL DCRTTP unit-2                   | 2,043.93         | 885.02              | 232.36            | 1,117.38         | 4.33         | 5.47         |
| •  | HPGCL RGTPP Unit-1                    | 4,199.54         | 1,931.79            | 313.01            | 2,244.80         | 4.60         | 5.35         |
| •  | HPGCL RGTPP Unit-2                    | 4,199.54         | 1,931.79            | 326.24            | 2,258.03         | 4.60         | 5.38         |
| •  | Western Yamuna Canal                  | 232.70           | -                   | 63.44             | 63.44            | -            | 2.73         |
|    | <b>OTHER LONG TERM ( C )</b>          | <b>57,951.04</b> | <b>20,631.90</b>    | <b>6,274.85</b>   | <b>26,906.75</b> | <b>3.56</b>  | <b>4.64</b>  |
| •  | P&R GOGRIPUR small hydro              | 3.32             | 1.43                | -                 | 1.43             | 4.30         | 4.30         |
| •  | Bhoruka Power Corps. Ltd. Small hydro | 5.31             | 1.07                | -                 | 1.07             | 2.03         | 2.03         |
| •  | Puri Oil Mill small hydro             | 1.03             | 0.41                | -                 | 0.41             | 3.97         | 3.97         |
| •  | Shahbad Sugar Mill                    | 34.68            | 15.03               | -                 | 15.03            | 4.33         | 4.33         |
| •  | Naraingarh Suagar Mill                | -                | -                   | -                 | -                |              |              |
| •  | Meham Sugar Mill                      | -                | -                   | -                 | -                |              |              |
| •  | Karnal Co.Sugar Mill                  | 33.67            | 23.12               | -                 | 23.12            | 6.87         | 6.87         |
| •  | Panipat Co. Sugar Mill                | 44.32            | 30.34               | -                 | 30.34            | 6.85         | 6.85         |
| •  | Ch. Devi Lal Sugar Mill               | 1.47             | 0.64                | -                 | 0.64             | 4.37         | 4.37         |
| •  | Haryana Co. Sugar Mill.               | 10.99            | 6.67                | -                 | 6.67             | 6.07         | 6.07         |
| •  | Hafed Sugar Mill                      | 0.56             | 0.24                | -                 | 0.24             | 4.38         | 4.38         |
|    | <b>SUGAR MILL AND SMALL HYDRO (D)</b> | <b>135.32</b>    | <b>78.96</b>        | <b>-</b>          | <b>78.96</b>     | <b>5.84</b>  | <b>5.84</b>  |
| •  | SDS Solar Pvt Ltd.                    | 1.66             | 1.02                | -                 | 1.02             | 6.13         | 6.13         |
| •  | EON                                   | 1.66             | 1.02                | -                 | 1.02             | 6.13         | 6.13         |
| •  | Chandraleela Solar                    | 1.33             | 0.81                | -                 | 0.81             | 6.13         | 6.13         |
| •  | Sukhbir Solar                         | 1.66             | 1.02                | -                 | 1.02             | 6.13         | 6.13         |
| •  | Xion Energy                           | 1.66             | 1.02                | -                 | 1.02             | 6.13         | 6.13         |
| •  | Siwana Solar Power                    | 8.30             | 4.70                | -                 | 4.70             | 5.67         | 5.67         |
| •  | HR Mineral Solar                      | 1.66             | 1.02                | -                 | 1.02             | 6.13         | 6.13         |
| •  | Tayal & Co Solar                      | 1.66             | 1.02                | -                 | 1.02             | 6.13         | 6.13         |
| •  | VKG Solar Uh                          | 1.66             | 1.02                | -                 | 1.02             | 6.13         | 6.13         |
| •  | Utrecht Solar Pvt. Ltd.               | 1.66             | 1.00                | -                 | 1.00             | 6.02         | 6.02         |
| •  | Subhash Infra Engineers Pvt Ltd.      | 1.66             | 0.89                | -                 | 0.89             | 5.38         | 5.38         |
| •  | JBM Solar                             | 33.20            | 20.39               | -                 | 20.39            | 6.14         | 6.14         |
| •  | Balarch Solar                         | 1.66             | 1.02                | -                 | 1.02             | 6.14         | 6.14         |
| •  | Greenyana Solar                       | 19.67            | 5.00                | -                 | 5.00             | 2.54         | 2.54         |
| •  | Raj Waste Treat Pvt. Ltd              | 3.31             | 1.11                | -                 | 1.11             | 3.36         | 3.36         |
| •  | Deepan Godara                         | 0.41             | 0.14                | -                 | 0.14             | 3.36         | 3.36         |
| •  | DES Renewables                        | 1.41             | 0.47                | -                 | 0.47             | 3.36         | 3.36         |
| •  | L&P Energy                            | 1.41             | 0.47                | -                 | 0.47             | 3.36         | 3.36         |
| •  | S S Solar Energy                      | 1.41             | 0.47                | -                 | 0.47             | 3.36         | 3.36         |
| •  | Humbolt Energies                      | 1.41             | 0.47                | -                 | 0.47             | 3.36         | 3.36         |
| •  | Bimla Solar                           | 1.66             | 0.56                | -                 | 0.56             | 3.36         | 3.36         |
| •  | Sandeep Yadav Solar                   | 1.66             | 0.51                | -                 | 0.51             | 3.11         | 3.11         |
| •  | MSP Enterprises                       | 3.31             | 1.03                | -                 | 1.03             | 3.11         | 3.11         |
| •  | SUT Energy                            | 3.31             | 1.03                | -                 | 1.03             | 3.11         | 3.11         |
| •  | VERA Energy                           | 3.31             | 1.03                | -                 | 1.03             | 3.11         | 3.11         |
| •  | M/s Rakesh Kumar Sodha                | 0.41             | 0.13                | -                 | 0.13             | 3.11         | 3.11         |
| •  | GVR Power                             | 1.59             | 0.49                | -                 | 0.49             | 3.11         | 3.11         |
| •  | Gio Tech                              | 2.14             | 0.69                | -                 | 0.69             | 3.20         | 3.20         |

| SN | Project                                 | Quantum (Mus)   | Energy Charges (Cr) | Fixed Charges(Cr) | Total (Cr)      | V.C./Rs Unit | T.C./Rs Unit |
|----|-----------------------------------------|-----------------|---------------------|-------------------|-----------------|--------------|--------------|
| •  | HPGCL-Solar                             | 16.60           | 8.76                | -                 | 8.76            | 5.28         | 5.28         |
| •  | Amplus                                  | 82.99           | 24.16               | -                 | 24.16           | 2.91         | 2.91         |
| •  | Avaada Green                            | 82.99           | 25.67               | -                 | 25.67           | 3.09         | 3.09         |
| •  | Avaada RJHN                             | 524.16          | 154.77              | -                 | 154.77          | 2.95         | 2.95         |
| •  | LR Energy                               | 33.20           | 9.28                | -                 | 9.28            | 2.80         | 2.80         |
| •  | SECI Wind-T-II @ 2.71                   | 314.50          | 92.18               | -                 | 92.18           | 2.93         | 2.93         |
| •  | SECI Wind-T-III @ 2.51                  | 917.28          | 248.02              | -                 | 248.02          | 2.70         | 2.70         |
| •  | SECI Wind-Inter @ 2.72                  | 94.35           | 27.76               | -                 | 27.76           | 2.94         | 2.94         |
| •  | SECI Wind-T-V                           | 1,095.70        | 336.06              | -                 | 336.06          | 3.07         | 3.07         |
| •  | SECI-Hybrid                             | 1,383.78        | 412.75              | -                 | 412.75          | 2.98         | 2.98         |
| •  | SECI-Hybrid-T-VII                       | 246.01          | 126.89              | -                 | 126.89          | 5.16         | 5.16         |
| •  | SECI-Hybrid-T-IV NTPC                   | 943.54          | 227.39              | -                 | 227.39          | 2.41         | 2.41         |
| •  | SECI Solar T-1 @ 2.60                   | 244.61          | 68.79               | -                 | 68.79           | 2.81         | 2.81         |
| •  | SECI Solar T-IV Mega Surya @ 2.61       | 570.60          | 161.08              | -                 | 161.08          | 2.82         | 2.82         |
| •  | SECI Solar @ 5.5                        | 132.79          | 78.99               | 0.13              | 79.12           | 5.95         | 5.96         |
| •  | SECI Solar T-II (ACME)                  | 1,199.28        | 286.60              | -                 | 286.60          | 2.39         | 2.39         |
|    | <b>SOLAR POWER (E)</b>                  | <b>7,988.20</b> | <b>2,338.72</b>     | <b>0.13</b>       | <b>2,338.85</b> | <b>2.93</b>  | <b>2.93</b>  |
| •  | Star Wire India                         | 66.08           | 51.44               | 10.36             | 61.81           | 7.78         | 9.35         |
| •  | Gemco Energy Ltd.                       | 50.32           | 46.59               | 0.03              | 46.62           | 9.26         | 9.26         |
| •  | Oasis Commercial Pvt. Ltd.              | 31.45           | 21.03               | -                 | 21.03           | 6.69         | 6.69         |
| •  | JBM Environment                         | 39.92           | 29.46               | -                 | 29.46           | 7.38         | 7.38         |
| •  | Sri Jyoti                               | 63.49           | 53.97               | -                 | 53.97           | 8.50         | 8.50         |
| •  | Sukhbir Agro Energy Limited             | 94.35           | 61.10               | -                 | 61.10           | 6.48         | 6.48         |
| •  | Hind Samachar Ltd.                      | 94.35           | 60.31               | -                 | 60.31           | 6.39         | 6.39         |
| •  | K2 Power                                |                 | -                   | -                 | -               |              |              |
| •  | Jind Bio Energy                         | 62.27           | 52.93               | -                 | 52.93           | 8.50         | 8.50         |
| •  | Fatehbad Bio Energy                     | 62.27           | 52.93               | -                 | 52.93           | 8.50         | 8.50         |
| •  | Mor Bio Energy                          | 7.55            | 6.85                | -0.00             | 6.85            | 9.08         | 9.08         |
|    | <b>BIOMASS POWER (F)</b>                | <b>572.05</b>   | <b>436.61</b>       | <b>10.39</b>      | <b>447.00</b>   | <b>7.63</b>  | <b>7.81</b>  |
|    | <b>HYBRID POWER (G)</b>                 | -               | -                   | -                 | -               |              |              |
| •  | MB Power                                | 1,113.84        | 346.29              | 307.99            | 654.28          | 3.11         | 5.87         |
| •  | TATA Power Trading                      | 816.82          | 289.71              | 182.26            | 471.97          | 3.55         | 5.78         |
| •  | PTC (APNRL)                             | 688.40          | 245.46              | 167.52            | 412.97          | 3.57         | 6.00         |
| •  | GMR Warora Energy Ltd.                  | 1,113.84        | 328.89              | 315.32            | 644.21          | 2.95         | 5.78         |
| •  | Jindal India Thermal Power Ltd (60 MW)  | 450.07          | 216.03              | 107.84            | 323.87          | 4.80         | 7.20         |
| •  | RKM Powergen (Talcher)                  | 675.06          | 200.43              | 204.86            | 405.28          | 2.97         | 6.00         |
| •  | RKM Powergen (IB Valley)                | 675.06          | 197.14              | 201.50            | 398.64          | 2.92         | 5.91         |
| •  | SKS Power                               | 225.00          | 72.03               | 53.61             | 125.64          | 3.20         | 5.58         |
| •  | Jindal India Thermal Power Ltd (110 MW) | 675.06          | 371.28              | 124.98            | 496.26          | 5.50         | 7.35         |
| •  | TRN Energy                              | 225.00          | 75.41               | 49.34             | 124.75          | 3.35         | 5.54         |
| •  | Semcorp (SEIL)                          | 943.05          | 294.78              | 162.62            | 457.40          | 3.13         | 4.85         |
| •  | NTPC (NVVN Jhabua)                      | 1,039.58        | 328.81              | 166.20            | 495.01          | 3.16         | 4.76         |
| •  | Jindal Power Ltd. (200 MW)              |                 |                     | -                 | -               |              |              |
| •  | Ambitious Power Trading                 |                 |                     | -                 | -               |              |              |
| •  | Jindal Power Ltd.                       | 816.82          | 237.25              | 194.17            | 431.42          | 2.90         | 5.28         |

| SN | Project                                                  | Quantum (Mus)    | Energy Charges (Cr) | Fixed Charges (Cr) | Total (Cr)       | V.C./Rs Unit | T.C./Rs Unit |
|----|----------------------------------------------------------|------------------|---------------------|--------------------|------------------|--------------|--------------|
| •  | PTC (Jindal Power)                                       | 1,113.84         | 348.17              | 177.45             | 525.61           | 3.13         | 4.72         |
|    | <b>Peaking Power (H) Medium Perm Power</b>               | <b>10,571.43</b> | <b>3,551.68</b>     | <b>2,415.65</b>    | <b>5,967.33</b>  | <b>3.36</b>  | <b>5.64</b>  |
|    | <b>Total Long term (A+B+C+D+E+F+G+H)</b>                 | <b>83,254.02</b> | <b>28,312.95</b>    | <b>9,859.41</b>    | <b>38,172.36</b> |              |              |
|    | <b>New Plants</b>                                        |                  |                     |                    |                  |              |              |
| •  | M/s RSL Distillery Pvt. Ltd. (Biomass Co-generation)     | 15.72            | 11.51               | -                  | 11.51            | 7.32         | 7.32         |
| •  | Tehri PSP (Uttaranchal)-THDC                             | 305.76           | 61.43               | 31.75              | 93.18            | 2.01         | 3.05         |
| •  | SECI Hybrid- Project Ten                                 | 1,834.57         | 442.13              | -                  | 442.13           | 2.41         | 2.41         |
| •  | PM Kusum Bishnoi Green energy, Noida, UP                 | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | PM Kusum -- Sh. Mahesh Kumar, Mohindergarh               | 1.66             | 0.51                | -                  | 0.51             | 3.11         | 3.11         |
| •  | PM Kusum -- Sh. Rajender Kumar, Mohindergarh             | 1.66             | 0.51                | -                  | 0.51             | 3.11         | 3.11         |
| •  | M/s Narshingh solar Power pvt Ltd.                       | 1.66             | 0.51                | -                  | 0.51             | 3.11         | 3.11         |
| •  | PM Kusum -- Smt. Kaushalya, Mahendergarh                 | 1.66             | 0.51                | -                  | 0.51             | 3.11         | 3.11         |
| •  | M/s Innocepts Solutions india pvt Ltd.                   | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | PM Kusum -Dada Maldey Pvt. Ltd.                          | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | Kailasho                                                 | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | Kuldeep Kumar                                            | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | Mohit Jandu                                              | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | Hari Niwas                                               | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | Savitri, village Moda Khera, Adampur, Hisar              | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | O.P. Jindal & Ambitious Power Trading Co. (MT-1/NIT/116) | 2,970.24         | 806.46              | 836.56             | 1,643.02         | 2.72         | 5.53         |
| •  | Seth Tulsiram                                            | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | PM Kusum-SI Projects, Bhera                              | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | PM Kusum-SI Projects, Mokra                              | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | PM Kusum-SI Projects, Urma                               | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | PM Kusum-UV Projects, Bhera                              | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | PM Kusum-UV Projects, Mokra                              | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | PM Kusum-UV Projects, Urma                               | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | M/s JLT Energy India Pvt Ltd. Mithi                      | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | M/s JLT Energy India Pvt Ltd. Pinjohkra                  | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | PM Kusum -Sandeep Kumar                                  | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | PM Kusum -Surender Kumar                                 | 3.31             | 1.03                | -                  | 1.03             | 3.11         | 3.11         |
| •  | Sh. Jaideep, Village, Rohtak, Haryana                    | 1.66             | 0.51                | -                  | 0.51             | 3.11         | 3.11         |

| SN | Project                                                                 | Quantum (Mus) | Energy Charges (Cr) | Fixed Charges(Cr) | Total (Cr) | V.C./Rs Unit | T.C./Rs Unit |
|----|-------------------------------------------------------------------------|---------------|---------------------|-------------------|------------|--------------|--------------|
| •  | M/s BRCXKMEPASS trade Centre                                            | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | M/s JLTM Energy India Pvt Ltd. Mandoli                                  | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | M/s Ridhiyan Energy Pvt Ltd.                                            | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | M/s Sun Solution Pvt Ltd.                                               | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | M/s Akshit Builders                                                     | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | Sh. Raj Kumar                                                           | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | Smt. Sonal Singh                                                        | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | M/s Vaew Energies pvt Ltd.                                              | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | PM Kusum Bharatved Renewable energy, village samain, Fatehabad, Haryana | 0.99          | 0.31                | -                 | 0.31       | 3.11         | 3.11         |
| •  | PM Kusum Vidya Devi, village Badhwana ,Charkhi Dadri , HARYANA,         | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | Ramneek                                                                 | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | Satbir                                                                  | 1.66          | 0.51                | -                 | 0.51       | 3.11         | 3.11         |
| •  | Naresh Kumar                                                            | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | Rakshit                                                                 | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | M/s ASS Solar Power Project Ltd.                                        | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | M/s Verma Auto Electric Works, sadalpur                                 | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | M/s Verma Auto Electric Works, jandli khurd                             | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | M/s JLTM Energy India Pvt Ltd, Patodi                                   | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | M/s JLTM Energy India Pvt Ltd, Pahari nakkipur                          | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | ADRI Energy                                                             | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | Shanaya Green Energy                                                    | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | Mrs. Monika, Siwani , Bhiwani, Haryana                                  | 1.66          | 0.51                | -                 | 0.51       | 3.11         | 3.11         |
| •  | Mrs. Ritu, Nanwan, Mahendergarh, Haryana                                | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | Mrs. Kamlesh Devi, Nanwan, Mahendergarh, Haryana                        | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | Sh. Ajit singh, Nanwan, Mahendergarh, haryana                           | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | Sh. Narender, Siwani Bhiwani, haryana                                   | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | M/s JLTM Energy India Pvt Ltd.                                          | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | Sh. Vikarm Singh, Village Pathera, Mahendragarh, haryana                | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |
| •  | Sh.Darshan Kumar, Village pathera, Mahendergarh Haryana                 | 3.31          | 1.03                | -                 | 1.03       | 3.11         | 3.11         |

| SN | Project                                                   | Quantum (Mus)    | Energy Charges (Cr) | Fixed Charges(Cr) | Total (Cr)       | V.C./Rs Unit | T.C./Rs Unit |
|----|-----------------------------------------------------------|------------------|---------------------|-------------------|------------------|--------------|--------------|
| •  | Sh. Pradhan Chand, Village Pathera, Mahendergarh, haryana | 3.31             | 1.03                | -                 | 1.03             | 3.11         | 3.11         |
| •  | Smt. Sunita Village Kiloj Dpana, Rohtak, Haryana          | 1.66             | 0.51                | -                 | 0.51             | 3.11         | 3.11         |
|    | <b>New Plants (FY 2025-26)</b>                            | <b>5,292.86</b>  | <b>1,373.33</b>     | <b>868.30</b>     | <b>2,241.64</b>  | <b>2.59</b>  | <b>4.24</b>  |
| •  | SECI (800 MW) -NLC India Ltd                              | 538.15           | 129.70              | -                 | 129.70           | 2.41         | 2.41         |
| •  | SJVN Hybrid (800MW) -Hero Solar                           | 841.68           | 374.55              | -                 | 374.55           | 4.45         | 4.45         |
| •  | Subhansari NHPC                                           | 172.34           | 46.15               | 36.32             | 82.47            | 2.68         | 4.79         |
| •  | SJVN Hybrid (800MW)- ACME                                 | 1,493.38         | 664.55              | -                 | 664.55           | 4.45         | 4.45         |
| •  | SJVN Hybrid (800MW)- Juniper                              | 1,186.37         | 527.93              | -                 | 527.93           | 4.45         | 4.45         |
| •  | SJVN Hybrid (800MW)- Tata Power                           | 1,202.46         | 535.09              | -                 | 535.09           | 4.45         | 4.45         |
| •  | Vishnugarh Pipalkoti (THDC)                               | 9.27             | 2.87                | 0.10              | 2.97             | 3.10         | 3.21         |
|    | <b>New Plants (FY 2026-27)</b>                            | <b>5,443.66</b>  | <b>2,280.85</b>     | <b>36.42</b>      | <b>2,317.27</b>  | <b>4.19</b>  | <b>4.26</b>  |
|    | <b>Total Power Purchase</b>                               | <b>93,990.54</b> | <b>31,967.14</b>    | <b>10,764.13</b>  | <b>42,731.27</b> | <b>3.40</b>  | <b>4.546</b> |

## 6.5 Interstate and Intrastate Transmission and SLDC Cost

UHBVNL, in the present petition, has proposed Interstate Transmission (ISTS) charges, as Rs. 1,149.47 Crores for FY 2026-27 with escalation of 3% y-o-y over the actual ISTS Charges paid in FY 2024-25.

For Intrastate Transmission (InSTS) charges, UHBVN has proposed Rs. 959.96 Crores for FY 2026-27 with escalation of 2.5% y-o-y over the actual InSTS Charges paid in FY 2024-25.

DHBVNL, in the present petition, has proposed Interstate Transmission (ISTS) charges, as Rs. 1,492.29 Crores for FY 2026-27 with escalation of 3% y-o-y over the actual ISTS Charges paid in FY 2024-25.

For Intrastate Transmission (InSTS) charges, DHBVN has proposed Rs. 1,133.17 Crores for FY 2026-27 with escalation of 2.5% y-o-y over the actual InSTS Charges paid in FY 2024-25.

The Commission has considered the submissions of the distribution licensee(s) and observes that, vide its Order dated 17.03.2026 on HVPNL's Transmission Tariff and SLDC charges petition for the FY 2026-27, has approved Transmission tariff and SLDC charges to be recovered by HVPNL from the beneficiaries mainly the Discoms i.e. UHBVNL and

DHBVNL. The intrastate transmission charges approved include the 'Unitary Charge' arising out of transmission project commissioned through Public Private Partnership (PPP) between HVPNL and M/s Jhajjar KT Transco Private Limited. The details including monthly recovery of the transmission and SLDC charges from various beneficiaries including the Discoms have been given in the *ibid* order. Hence, the same is not being reproduced here.

The transmission and SLDC Charges, as determined by the Commission in the *ibid* Order, shall form part of the ARR of the Discoms for the FY 2026-27. **In addition to the above and keeping in view the surplus power availability scenario prevailing in Haryana especially during the off-peak period, the Commission directs that the Discoms shall not procure any additional power over and above the quantum approved in the PPA that may be available to it from the un-allocated share / share relinquished by any other State in the Central Generating Power Stations in case it does not fall in the merit order dispatch (MOD). The Commission thereto shall disallow all such power procurements and the cost thereto. Additionally, while resorting to bidding or calling for expression of interest for power procurement the Discoms must ensure that the power under PPAs already approved by the Commission materializes and also the intra-State generator i.e. HPGCL's power plants are scheduled at least up to the critical minimum threshold before considering backing down. The DISCOMs are directed to perform cost benefit analysis including trade-off between purchase of REC and RE Power before rushing with proposal to procure RE Power.**

#### **6.6 Interstate Transmission losses and Intrastate transmission losses**

UHBVNL and DHBVNL, in their petition, have stated that Interstate transmission losses of 3.65% based on actual losses in FY 2024-25 as per Grid INDIA and intrastate transmission losses as 1.94% at the same level as approved by the Hon'ble Commission in HERC MYT Regulations 2024 for FY 2026-27, has been considered for projecting power purchase cost for FY 2026-27. Thus, Discoms have prayed that the same may be considered for projecting power purchase cost for the ARR year.

**The Commission has considered the submissions of the distribution licensee(s) and observes that HERC MYT Regulations, 2024 has provided the trajectory for, intra-state**

transmission loss, during the control period. In line with the same, intra-state transmission losses for the FY 2026-27 has been approved at 1.94%. The Commission further observes that the licensee (s) have proposed inter-state transmission losses as 3.65%. As approved last year, the Commission allows inter-state transmission losses for the FY 2026-27 at 3.50%. However, the same shall be allowed to the extent of actual during true-up.

## 6.7 Energy Balance

### UHBVNL

Energy balance for the MYT control period, based on energy availability, transmission losses, distribution losses and energy sales projected by UHBVNL has been tabulated as follows: -

**UHBVNL Projected Energy Balance FY 2026-27**

| Sr. No. | Category                                          | FY 2026-27       |
|---------|---------------------------------------------------|------------------|
| 1       | Energy Sales (MU)                                 | 28,540.94        |
| 2       | T&D loss (%)                                      | 9.85%            |
| 3       | Energy Input at DISCOM Periphery (MU)             | 31,659.39        |
| 4       | Inter-state Transmission loss(%)                  | 1.94%            |
| 5       | <b>Energy input at state Periphery(MU)</b>        | <b>32,285.73</b> |
|         |                                                   |                  |
| 6       | Total energy available (Ex bus)                   | 36,256.21        |
| 7       | Interstate power purchase considering MoD (MU)    | 24,865.90        |
| 8       | <b>Interstate sale /Banking</b>                   | <b>3,178.91</b>  |
| 9       | Interstate power purchase net of interstate sale  | 21,686.99        |
| 10      | Interstate transmission loss (%)                  | 3.65%            |
| 11      | Interstate Power purchase at State periphery (MU) | 20,895.42        |
| 12      | Intrastate power purchase considering MoD (MU)    | 11,390.31        |
|         | <b>Power purchase at state periphery(MU)</b>      | <b>32,285.73</b> |

### DHBVNL:

DHBVNL has submitted the projected energy balance as under:-

**DHBVNL Projected Energy Balance FY 2026-27**

| Energy Balance                             | Unit      | FY 2026-27    |
|--------------------------------------------|-----------|---------------|
| <b>Energy Sales to the Consumers</b>       | <b>MU</b> | <b>40,724</b> |
| T&D Loss                                   | %age      | 9.75%         |
| Energy Input at DISCOM Periphery           | MU        | 45,124        |
| Intra-State Transmission Loss              | %age      | 1.94%         |
| <b>Energy Input at State Periphery</b>     | <b>MU</b> | <b>46,016</b> |
|                                            |           |               |
| Total Energy Available                     | MU        | 51,675        |
| Inter-State Power Purchase considering MoD | MU        | 35,441        |



| <b>Energy Balance</b>                         | <b>Unit</b> | <b>FY 2026-27</b> |
|-----------------------------------------------|-------------|-------------------|
| Inter-State Transmission Losses               | %age        | 3.65%             |
| Inter-State Power Purchase at State Periphery | MU          | 34,146            |
| Intra-State Power Purchase considering MoD    | MU          | 16,234            |
| <b>Power Purchase at State Periphery</b>      | <b>MU</b>   | <b>50,380</b>     |
| Surplus                                       | MU          | 4,364             |

The Commission has perused the above 'Energy Balance' as submitted by the distribution licensees (UHBVNL and DHBVNL). However, as the underlying data on sales, losses, quantum of power purchase projected by the Commission is different, hence, the Energy Balance as approved by the Commission for the FY 2026-27 is tabulated below: -

**Energy available for Sale to the Distribution Licensees for the FY 2026-27**

| <b>S. N.</b> | <b>Particulars</b>                                                                                  | <b>Units</b>   | <b>UHBVNL</b>    | <b>DHBVNL</b>    | <b>Total</b>     |
|--------------|-----------------------------------------------------------------------------------------------------|----------------|------------------|------------------|------------------|
| 1            | Gross energy procured from outside the state sources                                                | MU             | 26,089.21        | 37,532.65        | 63,621.86        |
| 2            | Interstate sale / banking                                                                           | MU             | 4,304.06         | 6,191.93         | 10,495.99        |
| 3            | Energy procured from outside the state sources net of interstate sale / banking                     | MU             | 21,785.16        | 31,340.71        | 53,125.87        |
| 4            | Inter-state transmission losses                                                                     | %              | 3.50%            | 3.50%            | 3.50             |
| 5            | Inter-state transmission losses                                                                     | MU             | 762.48           | 1,096.93         | 1,859.41         |
| 6            | Net energy available from outside the state                                                         | MU             | 21,022.68        | 30,243.79        | 51,266.47        |
| 7            | Add energy generated within the state                                                               | MU             | 12,453.18        | 17,915.49        | 30,368.67        |
| 8            | Energy available at Haryana Boundary (6+7)                                                          | MU             | 33,475.86        | 48,159.28        | 81,635.14        |
| 9            | Intra-state transmission losses                                                                     | %              | 1.94%            | 1.94%            | 1.94             |
| 10           | Intra-state transmission losses                                                                     | MU             | 649.43           | 934.29           | 1,583.72         |
| 11           | Energy at Discom Boundary                                                                           | MU             | 32,826.43        | 47,224.99        | 80,051.41        |
| 12           | Distribution loss                                                                                   | %              | 9.30%            | 9.75%            | 9.57             |
| 13           | Distribution loss units                                                                             | MU             | 3,052.86         | 4,604.44         | 7,657.29         |
| 14           | Units available for sale to DISCOMS/ HERC approved Sales to the electricity consumers in FY 2025-26 | MU             | <b>29,773.57</b> | <b>42,620.55</b> | <b>72,394.12</b> |
|              | Total Energy Purchase                                                                               | MU             | <b>38,542.40</b> | <b>55,448.13</b> | <b>93,990.53</b> |
|              | Power Purchase Cost                                                                                 | Rs. crore      | 17,522.69        | 25,208.58        | 42,731.27        |
| 15           | <b>Average rate</b>                                                                                 | <b>Rs /kWh</b> | <b>4.55</b>      | <b>4.55</b>      | <b>4.55</b>      |
|              | <b>Total power purchase cost</b>                                                                    |                |                  |                  |                  |
|              | Fixed cost                                                                                          | Rs. Crore      | 4,414.03         | 6,350.10         | 10,764.13        |
|              | Variable Cost                                                                                       | Rs. Crore      | 13,108.66        | 18,858.48        | 31,967.14        |

| S. N.     | Particulars                                      | Units                | UHBVNL           | DHBVNL           | Total            |
|-----------|--------------------------------------------------|----------------------|------------------|------------------|------------------|
|           | Total power purchase cost                        | Rs.<br>Crore         | 17,522.69        | 25,208.58        | 42,731.27        |
|           | Variable cost of sold units by DISCOMS           | Rs.<br>Crore         | 11,645.39        | 16,753.37        | 28,398.76        |
| 16        | Cost of Power allowed                            | Rs.<br>Crore         | <b>16,059.42</b> | <b>23,103.47</b> | <b>39,162.89</b> |
| 17        | Total Transmission and SLDC Charges              | Rs.<br>Crore         | 2,049.13         | 2,947.93         | 4,997.06         |
|           | Inter-state Transmission charges                 | Rs.<br>Crore         | 1,083.30         | 1,558.46         | 2,641.76         |
|           | Intra-state Transmission and SLDC charges        | Rs.<br>Crore         | 965.83           | 1,389.47         | 2,355.30         |
| <b>18</b> | <b>Total Cost (16+17)</b>                        | <b>Rs.<br/>Crore</b> | <b>18,108.55</b> | <b>26,051.40</b> | <b>44,159.95</b> |
| 18A       | Units purchased for units sold by Discoms        | MU                   | 32,826.43        | 47,224.99        | 80,051.41        |
| <b>19</b> | <b>Average Bulk Power Purchase Rate (18/18A)</b> | <b>Rs/kWh</b>        | <b>5.52</b>      | <b>5.52</b>      | <b>5.52</b>      |

## 6.8 Operation & Maintenance Expenses (O&M)

The discoms, in their petitions, submitted that Regulation 59.4 of the HERC MYT Regulations 2024 provides the approach for estimating the O&M expenses on component wise basis for FY 2026-27. The relevant extract of the aforesaid Regulation is reproduced as below:

### **“59.4. Operation and Maintenance Expenses**

*The actual audited O & M expenses for the financial year preceding the base year, subject to prudence check, shall be escalated at the escalation factor of 5.47% to arrive at the Employee costs and Administrative and General Costs for the base year of the control period. The O&M expenses for the nth year of the control period shall be approved based on the formula given below*

$$\mathbf{O\&M_n = (R\&M_n + EMP_n + A\&G_n) * (1-X_n) + Terminal Liabilities}$$

*Where,*

*R&M<sub>n</sub> – Repair and Maintenance Costs of the Distribution Licensee(s) for the nth year;*

*EMP<sub>n</sub> – Employee Costs of the Distribution Licensee(s) for the nth year excluding terminal liabilities;*

*A&G<sub>n</sub> – Administrative and General Costs of the Distribution Licensee(s) for the nth year;*

*The above components shall be computed in the following manner.*

**(a)  $R\&M_n = K * GFA * INDX_n / INDX_{n-1}$**

Where,

'K' is a constant (expressed in %) governing the relationship between O&M costs and Gross Fixed Assets (GFA) for the nth year. The value of K will be 1.65% for DHBVN and UHBVN respectively for the entire control period;

'GFA' is the average value of the gross fixed asset of the nth year.

' $INDX_n$ ' means the inflation factor for the nth year as defined herein after.

$$(b) \quad EMP_n \text{ (excluding terminal liabilities)} + A\&G_n = (EMP_{n-1} + A\&G_{n-1}) * (INDX_n / INDX_{n-1})$$

Where,

$INDX_n$  – Inflation Factor to be used for indexing the Employee Cost and A&G cost.

This will be a combination of the Consumer Price Index (CPI) and the Wholesale Price Index (WPI) for immediately preceding year and shall be calculated as under:

$$INDX_n = 0.55 * CPI_n + 0.45 * WPI_n$$

**Note 1:** For the purpose of estimation, the same  $INDX_n$  value shall be used for all years of the control period. However, the Commission shall consider the actual values of the  $INDX_n$  at the end of each year during the annual performance review exercise and true-up the employee cost and A&G expenses on account of this variation.

**Note 2:** Any variation in employee cost and A&G cost on account of reasons beyond variation in  $INDX_n$  shall be subject to the incentive and penalty framework specified in regulation 12.

**Note 3:** As and when any material price index specific to power sector or a more relevant Index becomes available, the same shall replace the Index used for working out R&M cost.

**Note 4:** Terminal liabilities shall be approved as per actual expenditure incurred by the distribution licensee or established through actuarial valuation for the ensuing year.

**Note 5:** O&M expenses made on account of extraordinary situations (if any) shall be submitted to Commission for its approval. Such expenses shall be filed separately and will not be subjected to incentive and penalty framework. The

*approved amount by the Commission shall be trued up in the annual performance review.*

**Note 6:** *Changes in the pay scales of employees necessitated on account of pay revision by Pay Commission or by the State Government orders shall be considered by the Commission for true-up during the annual performance review.*

**Note 7:** *Source for CPI and WPI calculation as under:*

*Wholesale Price Index numbers as per Office of Economic Advisor of Government of India in the previous year*

*Consumer Price Index for Industrial Workers (all India) as per Labour Bureau, Government of India in the previous year*

**(c)  $X_n$  is an efficiency factor for  $n$ th year**

*The Value of  $X_n$  will be determined by the Commission in the MYT order for the control period.*

In light of the above-mentioned Regulations, the Operation and Maintenance expenses for FY 2026-27 have been worked out using indexation on O&M expenses worked out for FY 2025-26. The details of calculation for estimating the indexation factors and O&M expenses on component wise are shown in the table below:

**Proposed Details of the Wholesale Price Index**

| Month/Year | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Average |
|------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|---------|
| FY 2025-26 | 154 | 153 | 153 | 154 | 155 | 155 |     |     |     |     |     |     | 154.35  |
| FY 2024-25 | 153 | 154 | 154 | 155 | 154 | 155 | 156 | 156 | 155 | 155 | 155 | 154 | 154.86  |
| FY 2023-24 | 151 | 149 | 149 | 152 | 153 | 152 | 153 | 153 | 152 | 151 | 151 | 151 | 151     |
| FY 2022-23 | 152 | 155 | 155 | 154 | 153 | 152 | 153 | 153 | 151 | 151 | 151 | 151 | 153     |
| FY 2021-22 | 132 | 133 | 134 | 135 | 136 | 137 | 141 | 144 | 143 | 144 | 145 | 149 | 139     |

**Proposed Details of the Consumers Price Index**

| Month/Year | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Average |
|------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|---------|
| FY 2025-26 | 413 | 414 | 417 | 421 | 423 | 424 |     |     |     |     |     |     | 419     |
| FY 2024-25 | 401 | 403 | 407 | 411 | 411 | 412 | 416 | 416 | 413 | 412 | 411 | 411 | 410     |
| FY 2023-24 | 387 | 388 | 393 | 402 | 401 | 396 | 399 | 401 | 400 | 400 | 401 | 400 | 397     |
| FY 2022-23 | 368 | 372 | 372 | 374 | 375 | 378 | 382 | 382 | 381 | 382 | 382 | 384 | 378     |
| FY 2021-22 | 346 | 347 | 351 | 354 | 354 | 355 | 360 | 362 | 361 | 360 | 360 | 363 | 356     |

**Proposed Inflation Factor**

| Particulars                               | WPI          | CPI    | Total  |
|-------------------------------------------|--------------|--------|--------|
| Weightage                                 | 0.45         | 0.55   | 1.00   |
| Avg. Indexation for FY 25-26              | 154.35       | 419.23 |        |
| Avg. Indexation n (Index * Wt.)           | 69.46        | 230.58 | 300.04 |
| Avg. Indexation for FY 24-25              | 154.86       | 410.64 |        |
| Avg. Indexation n-1 (Index * Wt.)         | 69.69        | 225.85 | 295.54 |
| <b>Combined Inflation (Indxn/Indxn-1)</b> | <b>1.52%</b> |        |        |

The Commission has examined the calculations of the Inflation Factor and approves the same as it is in line with the HERC MYT Regulations in vogue.

#### 6.8.1 Employee Expenses

##### UHBVNL

UHBVNL, in its petition, submitted that the employee expenses for FY 2025-26 has been escalated with Indexation factor for projecting the employee expenses for FY 2026-27 considering growth in employees and increase in corresponding DA.

The petitioner in FY 2025-26 has proposed addition of new employees, the overall impact of the same amounting Rs 23.18 Crores has been incorporated in the salaries for projecting employee cost in FY 2026-27. Further, DA has been assumed to be increase @64% in FY 2026-27.

Terminal benefits for FY 2026-27 has been considered same as actuals of FY 2024-25 which amounts to Rs. 490.11 Crores, subject to True-Up.

The detailed calculations for projection the employee expenses for FY 2026-27 are shown in the table below: -

**UHBVNL projected Employee Expenses for FY 2026-27(In Cr.)**

| Particulars                      | FY 2026-27      |
|----------------------------------|-----------------|
| Employee Expenses                | 715.72          |
| Dearness Allowance               | 297.38          |
| Other Allowance                  | 198.02          |
| <b>Gross Employee Expense</b>    | <b>1,211.12</b> |
| <i>Less: Expense Capitalized</i> | <i>7.11</i>     |
| <b>Net Employee Expenses</b>     | <b>1,204.01</b> |
| Terminal Liabilities             | 490.11          |
| <b>Total Employee Expenses</b>   | <b>1,694.12</b> |

##### DHBVNL

DHBVNL, in its petition, has submitted that the Employee expenses of FY 2025-26 have been indexed with inflation factor of 1.52% to project the employee expenses for FY 2026-27.

Terminal benefits for FY 2026-27 retained at the level of actual expense of FY 2024-25. The summary of employees cost is given in the below table: -

**DHBVNL projected Employee Expenses for FY 2026-27 (Rs. Crore)**

| <b>Particulars</b>                                    | <b>FY 2026-27</b> |
|-------------------------------------------------------|-------------------|
| Salaries                                              | 603.93            |
| Dearness Allowance                                    | 322.90            |
| Expenditure on Employees Engaged on Contractual Basis | 293.11            |
| Other Allowances                                      | 150.96            |
| Terminal Benefits                                     | 629.26            |
| <b>Gross Employee Expenses</b>                        | <b>2,000.16</b>   |
| <i>Less: Expenses Capitalised</i>                     | <i>17.10</i>      |
| <b>Net Employee Expenses</b>                          | <b>1,983.06</b>   |

In view of above, the Discoms (s) prayed that the Hon'ble Commission may allow the projected employee cost for ARR year.

The Commission has examined the projections of employee cost by UHBVNL and DHBVNL for the FY 2026-27 and finds the methodology used by the licensees in order. The Commission has considered the employee cost, including terminal liabilities, for the FY 2026-27 based on the audited accounts of FY 2024-25 and escalated the same by 5.47% to determine the base year value of MYT Control Period. Further, the employee expenses have been indexed with inflation factor of 1.52% to project the employee expenses.

The methodology, being in line with the Regulations in vogue, as well as the Commission's previous order during the MYT control period, approves the employees cost as proposed.

Terminal benefits, have been approved, as proposed by the Discoms. However, as discussed in the preceding para of this order, the same will be true-up to the extent of actual payment to the retirees without considering amount booked under 'Other

**comprehensive income, Item that will not be reclassified to Profit & Loss Account', in line with regulation clause 59.4 (note 4) of HERC MYT Regulations.**

#### **6.8.2 Repair & Maintenance (R&M) Expenses**

The Discoms have projected the R&M expenses based on the specified K factor specified Indexation factor and Opening balance of the Gross Fixed Assets for the relevant year. The detail of calculation of the R&M expenses are shown in the table below:

Projection of R&M expenses of UHBVNL and DHBVNL for each year of MYT Control Period is tabulated as under:

| <b>Projected R&amp;M Expenses UHBVNL (Rs Crore)</b> |                   |
|-----------------------------------------------------|-------------------|
| <b>Particulars</b>                                  | <b>FY 2026-27</b> |
| Average GFA                                         | 12,988.39         |
| K factor                                            | 1.65%             |
| Indexation %                                        | 1.52%             |
| <b>R&amp;M Expenses</b>                             | <b>217.57</b>     |

| <b>Projected R&amp;M Expenses DHBVNL (Rs Crore)</b> |                   |
|-----------------------------------------------------|-------------------|
| <b>Particulars</b>                                  | <b>FY 2026-27</b> |
| Average GFA                                         | 17,545.00         |
| K Factor                                            | 1.65%             |
| Indexation %                                        | 1.52%             |
| <b>R&amp;M Expenses</b>                             | <b>293.90</b>     |

**The Commission has examined the projections of R&M Expenses submitted by the licensees. On the basis of norms and methodology prescribed in the HERC MYT Regulations as well as the practice consistently followed, the Commission, approves R&M expenses for FY 2026-27, as under: -**

#### **HERC Approved R&M Expenses for UHBVNL 2026-27 (Rs Crore.)**

| <b>Particulars</b>               | <b>FY 2026-27</b> |
|----------------------------------|-------------------|
| Average GFA                      | 12888.12          |
| K factor                         | 1.65%             |
| Indexation %                     | 1.52%             |
| <b>R&amp;M Expenses Approved</b> | <b>215.89</b>     |

#### **HERC Approved R&M Expenses for DHBVNL (Rs Crore.)**

| <b>Particulars</b> | <b>FY 2026-27</b> |
|--------------------|-------------------|
| Average GFA        | 17357.29          |
| K factor           | 1.65%             |

| Particulars                      | FY 2026-27    |
|----------------------------------|---------------|
| Indexation %                     | 1.52%         |
| <b>R&amp;M Expenses Approved</b> | <b>290.75</b> |

### 6.8.3 Administration & General (A&G) Expenses

As per the Regulations, UHBVNL and DHBVNL, stated that the Administrative & General expenses for FY 2025-26 have been indexed with the inflation factors for projection of expenses for FY 2026-27. The detailed calculation for projection the A&G Expenses is shown in the table below:

#### Proposed UHBVNL A&G Expenses (Rs. Crore)

| Particulars    | FY 2026-27 |
|----------------|------------|
| A&G Expenses   | 235.90     |
| Indexation (%) | 1.52%      |

#### Proposed DHBVNL A&G Expenses (Rs. Crore)

| Particulars                | FY 2026-27    |
|----------------------------|---------------|
| Gross A&G Expenses         | <b>210.30</b> |
| Indexation %               | <b>1.52%</b>  |
| A&G Expenses               | <b>213.50</b> |
| Less: Expenses Capitalized | -             |
| Net A&G Expenses           | <b>213.50</b> |

The Commission has examined the projections of A&G expenses by UHBVNL and DHBVNL for the FY 2026-27 and observes that the escalation and indexation factors used by the licensees are in order. Accordingly, the Commission approves the A&G expenses, considering true-up approved A&G expenses as the base, and using appropriate inflation factors for the APR and ARR years. However, A&G expenses in respect of UHBVNL has been restricted to the extent of the amount proposed by them.

The amount of A&G expenses approved have been tabulated as under:

#### HERC Approved A&G Expenses -UHBVNL

(Rs Crore)

| Particulars           | FY 2026-27 |
|-----------------------|------------|
| A&G Expenses approved | 235.90     |

#### HERC Approved A&G Expenses -DHBVNL

(Rs Crore)

| Particulars           | FY 2026-27 |
|-----------------------|------------|
| A&G Expenses approved | 207.20     |



### Summary of O&M Expenses

Approved O&M expenses of UHBVNL and DHBVNL for the FY 2026-27 have been tabulated as under:

#### Approved O&M Expenses UHBVNL (Rs Cr.)

| Particulars                   | Proposed        | Approved        |
|-------------------------------|-----------------|-----------------|
| Employee Expense              | 1,204.01        | <b>1,204.01</b> |
| A&G Expense                   | 235.9           | <b>235.90</b>   |
| R&M Expense                   | 217.57          | <b>215.89</b>   |
| Terminal benefits             | 490.11          | <b>490.11</b>   |
| <b>Total O&amp;M Expenses</b> | <b>2,147.59</b> | <b>2,145.91</b> |

#### Approved O&M Expenses DHBVNL (Rs Cr.)

| Particulars                   | Proposed        | Approved        |
|-------------------------------|-----------------|-----------------|
| Employee Expense              | 1353.80         | <b>1,353.80</b> |
| A&G Expense                   | 210.30          | <b>207.20</b>   |
| R&M Expense                   | 293.9           | <b>290.75</b>   |
| Terminal Benefits             | 629.26          | <b>629.26</b>   |
| <b>Total O&amp;M Expenses</b> | <b>2,487.26</b> | <b>2,481.01</b> |

### 6.9 Approved Capital Expenditure and additions to Gross Fixed Asset

The Commission, after careful examination of the proposed capital expenditure for the FY 2026-27, has approved Rs. 2056 crores and Rs. 2200 crores as the capital expenditure for UHBVNL and DHBVNL respectively. The same will be trued up, as per the audited accounts, from time to time. The capitalization/ transfer to GFA is in the same ratio as proposed by the licensees. The retirement/ disposal of assets is in the ratio of %age disposal of assets to GFA, as the last 3 years average.

The Commission has approved the consumer contribution in the ratio of actual capital expenditure and consumer contribution (UH-20%, DH-35%) in the FY 2024-25, as per the audited accounts. Further, Equity Capital is pegged at 20% of the approved capital expenditure for each licensee and the remaining / balance capital expenditure has been considered to be funded by way of long-term loan in line with the MYT Regulations in vogue.

The calculation of approved capital expenditure, additions to GFA and funding thereto is given in the following table: -

#### Approved Capital Expenditure, GFA and Funding for the FY 2026-27 for UHBVNL (Rs. Crores)

| Particulars                            | FY 2026-27      |
|----------------------------------------|-----------------|
| <b>Capital Work in Progress (CWIP)</b> |                 |
| Opening CWIP                           | 1287.70         |
| Capex During the year                  | 2056.00         |
| Interest Capitalised during the year   | 108.30          |
| Capex Capitalized                      | 6.76            |
| <b>Closing CWIP</b>                    | <b>1748.68</b>  |
| <b>Gross Fixed Assets (GFA)</b>        |                 |
| Opening GFA                            | 12228.76        |
| Add: Transfer from CWIP                | 1748.68         |
| Total GFA                              | 13977.45        |
| Less: Retirement/Disposal of Assets    | 429.97          |
| <b>Closing GFA</b>                     | <b>13547.47</b> |
| <b>Average GFA</b>                     | <b>12888.12</b> |
| <b>Source of Funding</b>               |                 |
| Consumer Contribution                  | 411.20          |
| Equity                                 | 328.96          |
| Debt                                   | 1315.84         |
| <b>Total</b>                           | <b>2,056.00</b> |

**Approved Capital Expenditure, GFA and Funding for the FY 2026-27 for DHBVNL (Rs. Crores)**

| Particulars                            | FY 2026-27      |
|----------------------------------------|-----------------|
| <b>Capital Work in Progress (CWIP)</b> |                 |
| Opening CWIP                           | 1958.28         |
| Capex During the year                  | 2200.00         |
| Interest Capitalised during the year   | 271.91          |
| Capex Capitalized                      | 2054.97         |
| <b>Closing CWIP</b>                    | <b>2375.22</b>  |
| <b>Gross Fixed Assets (GFA)</b>        |                 |
| Opening GFA                            | 16408.14        |
| Add: Transfer from CWIP                | 2054.97         |
| Total GFA                              | 18463.11        |
| Less: Retirement/Disposal of Assets    | 156.67          |
| <b>Closing GFA</b>                     | <b>18306.44</b> |
| <b>Average GFA</b>                     | <b>17357.29</b> |
| <b>Source of Funding</b>               |                 |
| Consumer Contribution                  | 770.00          |
| Equity                                 | 440.00          |
| Debt                                   | 990.00          |
| <b>Total</b>                           | <b>2,200.00</b> |

**6.10 Interest & Finance Charges:**

**6.10.1 Interest on Long Term Loan**

Interest on capex loan for has been projected by the Discoms as per Regulation 21 of HERC MYT Regulations 2024. The relevant excerpt of the HERC MYT Regulations, 2024 is reproduced as under:

### ***“21.1 Existing loans***

*(i) Interest on loan capital shall be computed loan-wise for existing loans arrived in a manner specified in Regulation 19 and shall be as per the rates approved by the Commission.*

*(ii) The loan outstanding as on 1st April of each financial year shall be worked out as the gross loan in accordance with Regulation 19 by deducting the cumulative repayment as admitted by the Commission up to 31st March of previous financial year from the gross normative loan;*

*(iii) The rate of interest shall be the weighted average rate of interest on institutional loans calculated on the basis of the actual loan portfolio at the beginning of each year applicable to the project. In case the weighted average rate is not available, the interest rate approved by the Commission in its earlier tariff order shall be allowed.*

*Provided that if there is no actual loan for a particular year but normative loan is still outstanding, the last available weighted average rate of interest shall be considered;*

*Provided further that if the generating plant/project does not have actual loan, then the weighted average rate of interest of the generating company/licensee as a whole shall be considered.*

*(iv) The interest on loan shall be calculated on the normative average loan of the year by applying the weighted average rate of interest;*

*(v) The generating company and the licensee shall from time to time review their capital structure i.e. debt and equity and make every effort to restructure the loan portfolio as long as it results in net savings on interest. The costs associated with such re-financing shall be borne by the beneficiaries and the net savings (after deducting the cost of re-financing) shall be subjected to incentive / penalty framework as mentioned in the Regulation 12 which shall be dealt with at the time of mid-year performance review/true-up.*

*(vi) The changes to the loan terms and conditions shall be reflected from the date of such re-financing and benefit passed on to the beneficiaries;*

*(vii) In case of any dispute relating to re-financing of loan, any of the parties may approach the Commission with proper application along with all the relevant details. During the pendency of any dispute, the beneficiaries shall not withhold any payment on account of orders issued by the Commission.*

*(viii) In case any moratorium period on repayment of loan is availed of by the generating company or the licensee, depreciation provided for in the tariff during the years of moratorium shall be treated as repayment during those years and interest on loan capital shall be calculated accordingly.*

*Provided that the repayment for each year of the control period shall be deemed to be equal to the depreciation allowed for the corresponding year.*

**21.2. New loans (on or after 1st April 2025)**

*(i) Rate of interest on new loans i.e. on or after 01.04.2025 shall be equal to the marginal cost of funds-based lending rate (MCLR) of the SBI plus a maximum of 150 basis points w.r.t. 1st April of the relevant financial year. They shall however, be required to submit due justification to the Commission for the terms and conditions of the loans raised by them including the loan sanction letter from the banks/lending institutions, indicating the applicable rate of interest.*

*Provided that interest and finance charges on works in progress shall be excluded and shall be considered as part of the capital cost;*

*Provided further that neither penal interest nor overdue interest shall be allowed for computation of Tariff*

*(ii) Any variation above or below the allowed interest rate shall be subject to the incentive and penalty framework specified in Regulation 12. The incentives on refinancing should be net of costs.*

*(iii) The amount of loan shall be arrived in the manner as specified in Regulation 19 and shall be based on the approved capital investment plan.*

*(iv) In case any moratorium period on repayment of loan is availed of by the generating company or the licensee, depreciation provided for in the tariff during the years of moratorium shall be treated as repayment during those years and interest on loan capital shall be calculated accordingly.*

*21.3. The interest computation shall exclude interest on loan amount, normative or otherwise, to the extent of capital cost funded by Consumer Contributions, Grants or Deposit Works carried out by Transmission Licensee or Distribution Licensee or Generating Company, as the case may be.*

*21.4. Interest shall be allowed on the amount held as security deposit held in cash from Transmission System Users, Distribution System Users and Retail consumers, at the Bank Rate as on 1st April of the financial year in which the petition is filed provided it is payable be the transmission/distribution licensee”*

**UHBVNL:**

UHBVNL, in its petition, has submitted that the interest on the existing loans has been calculated based on normative Opening Loan, addition during the year and repayment

which is equivalent to the Depreciation for the year. Interest rate has been considered as the weighted average rate of previous years. The interest capitalized during the years has been calculated based on the average interest rate and capital work in progress during the relevant years. The computation for the interest cost on long term loans are as follows:

**UHBVNL Proposed Interest on CAPEX for FY 2026-27 (in Crores)**

| <b>Particulars</b>                   | <b>Projected</b> |
|--------------------------------------|------------------|
| Opening Balance                      | 4,332.67         |
| Addition during the year             | 1,611.90         |
| Repayments of Loan                   | 581.34           |
| Closing Balance                      | 5,363.24         |
| Average Balance                      | 4,847.96         |
| Interest rate                        | 8.61%            |
| <b>Gross Interest on Capex Loans</b> | <b>417.37</b>    |
| <b>Interest Capitalized</b>          | <b>116.67</b>    |
| <b>Net Interest on Capex Loans</b>   | <b>300.69</b>    |

**DHBVNL**

DHBVNL, in its petition, has submitted that the Interest on long-term borrowing is computed loan-wise as per the applicable interest rate. Long term borrowings for Capital Expenditure Plan of FY 2026-27 are assumed to be met from REC & Financial Institutions. Accordingly, the interest cost on Capex loan for FY 2026-27 is projected by considering average interest rate.

Normative repayment of CAPEX Loan for FY 2026-27 is proposed as per tentative repayment schedule.

Capitalization of interest cost for FY 2026-27 is projected on average capital work in progress and average interest rate on capex loans.

Interest on Capex Loan for FY 2026-27 for DHBVN is summarized below.

**DHBVNL Proposed Interest on CAPEX for FY 2026-27 (in Crores)**

| <b>Particulars</b>       | <b>Projected</b> |
|--------------------------|------------------|
| Opening Balance          | 5,176.52         |
| Addition during the year | 1,502.49         |
| Repayments of Loan       | 550.98           |
| Closing Balance          | 6,128.03         |

| Particulars                          | Projected     |
|--------------------------------------|---------------|
| Average Balance                      | 5,652.27      |
| Interest rate                        | 8.63%         |
| <b>Gross Interest on Capex Loans</b> | <b>487.89</b> |
| <b>Interest Capitalized</b>          | <b>292.26</b> |
| <b>Net Interest on Capex Loans</b>   | <b>195.63</b> |

After adjusting IDC, the interest cost on long term borrowing has been worked out as Rs 195.63 Crores for FY 2026-27.

The Commission has carefully considered the calculations of interest on long term loans proposed by the Discoms. The Commission approves the additions to borrowings in accordance with the funding of proposed capital expenditure and the repayment is equal to the depreciation for the year. However, since the approved capital expenditure and its funding is at variance with that proposed by the licensee, it has resulted in some variance in the interest cost on term loans as well as return on equity. The Commission has allowed the consumer contribution for the FY 2026-27, as discussed in preceding paras of this order. Similarly, additions to equity is also allowed at 20% of the approved capital expenditure, as proposed by the Discoms. The balancing figure has been considered as additions to term loans. In accordance with the MYT regulations 2024, interest on loans is calculated at the weighted average rate of interest on existing institutional loans as submitted by the licensees i.e. 8.61% for UHBVNL and 8.77% for DHBVNL. The capitalization of assets has been considered at the same level/ratio, as per the actual audited statements of FY 2024-25.

**HERC approved Interest on capex loans UHBVNL 2026-27 (Rs Crores)**

| Particulars                          | 2026-27       |
|--------------------------------------|---------------|
| Opening Balance                      | 4,204.82      |
| Projected addition during the year   | 1,315.84      |
| Repayments of Loan                   | 396.91        |
| Closing Balance                      | 5,123.75      |
| Average balance during the Year      | 4,664.29      |
| Interest Rate (%)                    | 8.61%         |
| <b>Gross Interest on Capex Loans</b> | <b>401.60</b> |
| Less: Interest Capitalized           | 108.30        |
| <b>Net Int. on Capex Loans</b>       | <b>293.29</b> |

**HERC approved Interest on capex loans DHBVNL 2026-27 (Rs Crores)**

| <b>Particulars</b>                   | <b>2026-27</b> |
|--------------------------------------|----------------|
| Opening Balance                      | 4,948.91       |
| Projected addition during the year   | 990.00         |
| Repayments of Loan                   | 435.44         |
| Closing Balance                      | 5,503.47       |
| Average balance during the Year      | 5,226.19       |
| Interest Rate (%)                    | 8.77%          |
| <b>Gross Interest on Capex Loans</b> | <b>458.34</b>  |
| Less: Interest Capitalized           | 271.91         |
| <b>Net Int. on Capex Loans</b>       | <b>186.43</b>  |

**6.10.2 Interest on Consumer Security Deposit**

Interest on consumer security deposits for ARR year is calculated in accordance with Regulation 21.4 of MYT Regulations, 2024.

The relevant excerpt of the regulation is reproduced as under:

*"Interest shall be allowed on the amount held as security deposit held in cash from Transmission System Users, Distribution System Users and Retail consumers, at the Bank Rate as on 1st April of the financial year in which the petition is filed provided it is payable by the transmission/distribution licensee."*

**UHBVNL**

Details of calculation of interest on consumer security is shown in table below:

**Projected Interest on Consumer Deposit UHBVNL (Rs Crore)**

| <b>Particulars</b>              | <b>FY 2026-27</b> |
|---------------------------------|-------------------|
| Opening balance                 | 2,587.28          |
| Receipt during the year         | 382.69            |
| Closing balance                 | 2,969.97          |
| <b>Average security deposit</b> | <b>2,778.63</b>   |
| Interest rate                   | 6.75%             |
| <b>Interest on CSD</b>          | <b>187.56</b>     |

UHBVNL has prayed that the Hon'ble Commission may allow the estimated interest cost on consumer security deposit for ARR year.

## DHBVNL

DHBVNL, in the present petition, submitted that the Receipt of consumer security deposit for FY 2026-27 is projected by escalating the receipt of consumer security deposit during previous year with the load growth of the relevant years. Details of interest on consumer security deposit for 2026-27 is tabulated as under:

### Projected Interest on Consumer Security deposit DHBVNL (Rs. Crore)

| Particulars                     | FY 2026-27      |
|---------------------------------|-----------------|
| Opening balance                 | 3,701.74        |
| Receipt during the year         | 403.44          |
| Closing balance                 | 4,105.19        |
| <b>Average security deposit</b> | <b>3,903.47</b> |
| Interest rate                   | 6.75%           |
| <b>Interest on CSD</b>          | <b>263.48</b>   |

DHBVNL has prayed that the Commission may allow the interest cost on consumer security deposit for 2026-27 as computed above.

The Commission has examined the calculations of interest on consumer security deposit for the FY 2026-27 as proposed by the Discoms and finds the rate taken by Discoms is higher than notification issued by the discoms. As per the sale circulars issued by discoms i.e. Sales Circular No. U-12/2025, dated 03.09.2025 issued by UHBVNL and Sales Circular No. D-20/2025, dated 27.11.2025 issued by DHBVN (Dakshin Haryana Bijli Vitran Nigam), the Nigams have decided to pay interest at a rate of 6.50% per annum on staff security and consumption security deposits for the Financial Year 2025-26. Accordingly, the Commission has re-calculated the interest cost on consumer security deposit for FY 2026-27 as under:

### Approved Interest on Consumer Security deposit UHBVNL (Rs. Crore)

| Particulars                     | FY 2026-27      |
|---------------------------------|-----------------|
| Opening balance                 | 2,587.28        |
| Receipt during the year         | 382.69          |
| Closing balance                 | 2,969.97        |
| <b>Average security deposit</b> | <b>2,778.63</b> |
| Interest rate                   | 6.50%           |
| <b>Interest on CSD</b>          | <b>180.61</b>   |



**Approved Interest on Consumer Security deposit DHBVNL (Rs. Crore)**

| Particulars                                  | FY 2026-27     |
|----------------------------------------------|----------------|
| Opening balance                              | 3701.74        |
| Receipt during the year                      | 403.44         |
| Closing balance                              | 4105.18        |
| <b>Average security deposit</b>              | <b>3903.46</b> |
| Interest rate                                | 6.50%          |
| <b>Interest on Consumer Security Deposit</b> | <b>253.72</b>  |

**6.10.3 Interest on Working Capital Loan**

**UHBVNL**

UHBVNL, in its petition, has submitted that Regulation 22 of the HERC MYT Regulations, 2024, specifies the provisions for estimating the interest on working capital for FY 2026-27. Rate of interest for Working Capital loans has been considered equivalent to SBI MCLR (1-yr) as on 01.04.2025 plus a margin of 150 basis points (1.50%), subject to True-Up. The detailed calculation for revised estimates of Interest on working capital for FY 2026-27 are shown in table below:

**Projected interest on working capital UHBVNL (Rs. Crore)**

| Particulars                          | Projected      |
|--------------------------------------|----------------|
| O&M expenses for 1 month             | 178.97         |
| Maintenance Spares 1% of opening GFA | 122.94         |
| 2 months receivables                 | 3598.56        |
| Uncollected revenue                  | 107.96         |
| <b>Total Working capital</b>         | <b>4008.42</b> |
| Less:                                |                |
| Advance consumption deposit          | 2778.63        |
| Net Working capital                  | 1229.80        |
| Interest rate                        | 10.50%         |
| <b>Interest on Working Capital</b>   | <b>129.13</b>  |

**DHBVNL**

Similarly, DHBVNL, in its petition stated that the Interest on working capital loans for FY 2026-27 has been considered on normative basis in accordance with applicable MYT Regulations. The details of interest on working capital for FY 2026-27 is tabulated as under

**Projected interest on working capital DHBVNL (Rs. Crore)**

| LENDERS PROFILE             | Opening Balance | Interest Rate (%) | Loan Receipt    | Loan Repayment  | Closing Balance | Interest Cost |
|-----------------------------|-----------------|-------------------|-----------------|-----------------|-----------------|---------------|
| <b>WORKING CAPITAL LOAN</b> |                 |                   |                 |                 |                 |               |
| Loan from HVPNL(Bonds)      | 32.43           | 8.62%             | 0.00            | 32.43           | 0.00            | 1.40          |
| State Bank of India TL-I    | 128.19          | 9.05%             | 0.00            | 76.92           | 51.26           | 8.12          |
| State Bank of India TL-III  | 379.47          | 8.50%             | 0.00            | 55.56           | 323.91          | 29.89         |
| Punjab National Bank        | 517.00          | 8.25%             | 0.00            | 121.52          | 395.48          | 37.64         |
| Canara Bank                 | 655.92          | 8.25%             | 0.00            | 88.80           | 567.12          | 50.45         |
| Punjab & Sind Bank          | 343.03          | 8.13%             | 0.00            | 74.07           | 268.95          | 24.88         |
| REC LPS                     | 220.41          | 9.50%             | 0.00            | 100.00          | 120.41          | 16.19         |
| PFC LPS                     | 218.33          | 9.50%             | 0.00            | 101.69          | 116.64          | 15.91         |
| REC Ltd. RBPF I             | 512.47          | 9.25%             | 998.26          | 965.25          | 545.48          | 48.92         |
| REC Ltd. RBPF II            | 436.78          | 9.25%             | 977.85          | 978.45          | 436.18          | 40.37         |
| REC Ltd. RBPF III           | 499.75          | 9.25%             | 995.65          | 945.52          | 549.88          | 48.54         |
| REC Ltd. RBPF IV            | 999.99          | 9.00%             | 1,000.00        | 999.99          | 1,000.00        | 89.98         |
| Cash Credit Limit           | 2,635.56        | 7.40-8.90%        | 1,826.33        | 1,925.38        | 2,536.51        | 202.22        |
| <b>Total</b>                | <b>7,579.32</b> |                   | <b>5,798.09</b> | <b>6,465.58</b> | <b>6,911.83</b> | <b>614.51</b> |

The Commission has examined the interest on working capital borrowings as projected by the licensee DHBVNL and observes that the procedure is not in accordance with the MYT Regulations, 2024, which provides for a specific methodology for calculation of interest on working capital borrowings for the Distribution and retail supply business as given below:

*“22. INTEREST ON WORKING CAPITAL*

*22.1 Components of working capital:*

*Distribution licensee*

*I. Wheeling of electricity:*

- a) Normative O&M expenses for wheeling business for 1 (one) month;*
- b) Maintenance spares for 1 (one) month based on annual requirement considered at 1% of GFA (wire business) at the end of the previous year;*
- c) Receivables equivalent to 2(two) month of wheeling charges.*

*less*

*Amount held as security deposits in cash from Distribution System Users:*

*Provided further that for the purpose of Truing-up for any year, the working capital requirement shall be re-computed on the basis of the values of components of working capital approved by the Commission in the Truing-up before sharing of gains and losses*

*II. Retail supply of electricity:*

- a) Normative O&M expenses for retail supply business for 1 (one) month;*
- b) Maintenance spares for 1 (one) month based on annual requirement considered at 1% of the GFA at the end of the previous year;*
- c) Uncollected revenue to be calculated as: Revenue billed for the relevant year \* (1 – Normative Collection efficiency)*
- d) Receivables equivalent to 2 (two) months' of billing less consumers' security / advance consumption deposit.*

*Provided that for the purpose of Truing-up for any year, the working capital requirement shall be re-computed on the basis of the values of components of working capital approved by the Commission in the Truing-up before sharing of gains and losses;*

#### *22.2 Rate of Interest*

*Rate of interest on working capital shall be equal to the MCLR of the relevant financial year plus a maximum of 150 basis points. However, while claiming any spread, the generator and the licensees shall submit loan sanction letter from the banks/ lending institutions, indicating the applicable rate of interest."*

**The Commission has estimated working capital requirement in accordance with the MYT Regulations and the rate of interest i.e. MCLR plus a margin of 150 basis points (1.50%) or actual rate of interest on working capital, whichever is lower. Thus, the Commission approves the rate of interest on working capital borrowings for UHBVNL, as per actual, i.e. 8.86% p.a.**

**In the case of DHBVNL, the Commission observes that the actual rate of interest on working capital for the FY 2024-25 is 9.45% P.A. Therefore, the rate of interest on working capital is allowed as per actual i.e. 9.45% P.A.**

**Approved Interest on working capital UHBVNL 2026-27 (Rs Crore)**

| <b>Interest on working capital UHBVNL</b> | <b>FY 2026-27</b> |
|-------------------------------------------|-------------------|
| O&M expenses for 1 month                  | 178.83            |
| Maintenance spares 1% of opening GFA      | 122.29            |
| 2 months receivables                      | 3574.01           |
| Uncollected revenue                       | 107.22            |
| Total                                     | 3982.34           |
| Less                                      |                   |
| ACD, as projected by UHBVNL               | 2587.28           |
| Net working capital                       | 1395.06           |
| Interest rate                             | 8.86%             |
| Interest cost                             | 123.57            |

**Approved Interest on working capital DHBVNL 2026-27 (Rs in crore)**

| <b>Interest on working capital DHBVNL</b> | <b>FY 2026-27</b> |
|-------------------------------------------|-------------------|
| O&M expenses for 1 month                  | 206.75            |
| Maintenance spares 1% of opening GFA      | 164.08            |
| 2 months receivables                      | 4939.54           |
| Uncollected revenue                       | 148.19            |
| Total                                     | 5458.56           |
| Less                                      |                   |
| ACD, as projected by DHBVNL               | 3701.74           |
| Net working capital                       | 1756.82           |
| Interest rate                             | 9.45%             |
| Interest cost                             | 165.93            |

**6.10.4 Summary of Net Interest & Finance charges for FY 2026-27**

**UHBVNL**

UHBVNL has submitted that other Interest and Finance Charges amounting Rs 36.69 Crore have been considered as approved by the Hon'ble Commission in Tariff Order dtd. 28.03.2025 for FY 2026-27.

UHBVNL prayed that the total estimated interest cost for ARR year, as proposed, may be allowed by the Commission.

**DHBVNL**

DHBVNL has submitted that in addition to the working capital interest expenses, other interest and finance charges on account of payment of guarantee fee to the State Govt. for new loans etc. have also been considered for FY 2026-27.

DHBVNL has prayed that the above projected interest cost for FY 2026-27 may be allowed by the Commission.

The Commission observed that apart from Interest on Capex loan, Interest on Working Capital and Interest on Consumer Security Deposit, the discoms also proposed to recover certain other finance charges, guarantee fee, etc. The Commission allows the same as proposed, subject to true up. In light of the above discussion, the Commission approves interest cost of UHBVNL and DHBVNL for the FY 2026-27 as under: -

**HERC approved Net Interest & Finance Charges UHBVNL (Rs Crores)**

| Particulars                               | Proposed      | Approved      |
|-------------------------------------------|---------------|---------------|
| Gross Int. on Capex loans                 | 417.37        | 401.60        |
| <i>Less: Interest Capitalized</i>         | <i>116.67</i> | <i>108.30</i> |
| Net Int. on Capex Loans                   | 300.69        | <b>293.29</b> |
| Interest on WC loans                      | 129.13        | 123.56        |
| Interest on Security Deposits             | 187.56        | 180.61        |
| Other Interest and Finance Charges        | 36.69         | 36.69         |
| <b>Net Interest &amp; finance charges</b> | <b>654.07</b> | <b>634.16</b> |

**HERC approved Net Interest & Finance Charges DHBVNL (Rs Crores)**

| Particulars                                | Proposed        | Approved      |
|--------------------------------------------|-----------------|---------------|
| Interest on Long Term CAPEX Loans          | 195.63          | 186.43        |
| Interest on WC Loans                       | 614.51          | 165.93        |
| Interest cost on Consumer Security Deposit | 263.48          | 253.72        |
| Other Interest & Finance Charges           | 0.60            | 0.6           |
| Guarantee Fee                              | 58.51           | 58.51         |
| <b>Net Interest</b>                        | <b>1,132.73</b> | <b>665.19</b> |

## 6.11 Depreciation

Depreciation for ARR year is to be considered in accordance with Regulation 23 of the HERC MYT Regulations, 2024. The relevant excerpt is reproduced as under: -

*“For the purpose of tariff determination, the depreciation shall be calculated in the following manner: -*

- (a) *The value base of asset shall be the historical capital cost of the asset as admitted by the Commission. The historical capital cost shall include additional capitalization including foreign exchange rate variation, if any already allowed by the Commission up to 31st March of the relevant year.*

- (b) *The residual value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of historical capital cost of the asset;  
Provided that the salvage value for IT equipment and software shall be considered as NIL and 100% value of the assets shall be considered depreciable.*
- (c) *Depreciation shall be calculated annually over the useful life of the asset at the rates specified in Appendix II up to 31st March of the 12th year from the date of commercial operation of the asset. From 1st April of 13th year from the commercial date of operation of the asset, the remaining depreciable value if any out of the 90% of the capital cost of the asset shall be equally spread over the balance useful life of the asset.  
The depreciation rates given in Appendix-I will be applicable w.e.f. 1.04.2025 only. The depreciation, in case of existing assets, up to 31.03.205 shall be considered as already allowed and shall not be re-visited.  
Provided that the rate provided in Appendix I, are the upper ceiling of the rate of depreciation to be provided up to 12th year from the date of COD and the developer shall have the option of indicating, while seeking approval for tariff, lower rate of depreciation, subject to the aforesaid ceiling.*
- (d) *Land shall not be considered as a depreciable asset and cost shall be excluded from the capital cost while computing depreciable value of asset.*
- (e) *Depreciation shall be chargeable from the first year of commercial operation. In case of commercial operation of the asset for part of the financial year, then the depreciation shall be charged on pro rata basis;*
- (f) *Depreciation shall not be allowed on assets (or part of assets) funded by consumer contribution (i.e., any receipts from consumers that are not treated as revenue) and capital subsidies / grants. Provision for replacement of such assets shall be made in the capital investment plan.*
- (g) *Provided also that the capital cost of the assets of the hydro generating station for the purpose of computation of depreciated value shall correspond to the percentage of the sale of electricity under long-term power purchase agreement at regulated tariff.*
- (h) *Provided also that any depreciation disallowed on account of lower availability of the generating station or unit or transmission system, as the case may be, shall not be allowed to be recovered at a later stage during the useful life or the extended life."*

Depreciation amount for FY 2026-27 has been projected as per asset class wise depreciation rates on Opening GFA of respective year. Asset created from consumer contribution is adjusted with gross fixed asset for projecting depreciation expense for FY 2026-27.

**Detail of depreciation as proposed by the licensees is provided in the table below: -**

**UHBVNL Proposed Depreciation for 2026-27 (Rs Crore.)**

| <b>Particulars</b>                                       | <b>FY 2026-27</b> |
|----------------------------------------------------------|-------------------|
| Opening of GFA                                           | 12,294.45         |
| Less: Assets towards Land                                | 72.15             |
| Normative Opening GFA                                    | 12,222.30         |
| Add: Trfd from CWIP (Excl. Land)                         | 1,737             |
| Less: Retirement/ Disposal of assets (Excl. Land)        | 359               |
| Normative Closing GFA (Excl. Land)                       | 13,599.90         |
| <b>Average GFA (Excl. Land)</b>                          | <b>12,911.10</b>  |
| <b>Depreciation during the year (Excl. Land)</b>         | <b>680.79</b>     |
| Depreciation of Opening Consumer Contribution & Grant    | 864.04            |
| Depreciation of Closing Consumer Contribution & Grant    | 963.50            |
| Less: Depreciation on Asset due to Consumer Contribution | 99.45             |
| <b>Net Depreciation of Assets (Excl. Land)</b>           | <b>581.34</b>     |
| <b>Average depreciation rate</b>                         | <b>5.27%</b>      |

UHBVNL has prayed that the Hon'ble Commission may allow the estimated depreciation of Rs. 581.34 Cr for ARR year.

**DHBVNL Proposed Depreciation for FY 2026-27 (Rs. Crore)**

| <b>Particulars</b>                  | <b>Opening GFA</b> | <b>Addition</b> | <b>Disposal</b> | <b>Closing GFA</b> | <b>Depreciation</b> |
|-------------------------------------|--------------------|-----------------|-----------------|--------------------|---------------------|
| Land & Rights                       | 34.48              | 0.00            | 0.00            | 34.48              | -                   |
| Building & Civil Structure          | 520.61             | 55.86           | 0.85            | 575.61             | 18.31               |
| Plant & Machinery                   | 15,754.36          | 2,195.50        | 124.76          | 17,825.10          | 886.50              |
| Vehicles                            | 30.33              | 0.00            | 0.09            | 30.24              | 2.88                |
| Furniture & Fixtures                | 91.18              | 18.20           | 0.05            | 109.33             | 6.35                |
| Software                            | 37.09              | 10.11           | 0.00            | 47.20              | 6.32                |
| <i>Less: Dep. On assets from CC</i> | -                  | -               | -               | -                  | 222.86              |
| <b>Total</b>                        | <b>16,468.05</b>   | <b>2,279.66</b> | <b>125.76</b>   | <b>18,621.95</b>   | <b>697.49</b>       |

DHBVNL has prayed to the Commission to allow projected depreciation cost of Rs 697.49 crore for FY 2026-27 as computed in table above.

**The Commission, observes that the additions to individual class of fixed assets in a particular year may not be fully representative of the total requirement of assets for the Discoms and therefore it would be more appropriate to use total fixed assets as on 31.3.2025 as a composite base and accordingly has assumed that the additions to fixed assets and consequently the depreciation in the MYT period would also be in the same**

ratio. The depreciation calculations for the FY 2024-25 are used to arrive at a composite depreciation rate which is applied on the opening GFA of each year of the MYT period going forward to arrive at estimated depreciation for the year. Based on the approved capital expenditure for the FY 2026-27, the approved depreciation for each year of the MYT period is given in table below:

**HERC Approved Depreciation FY 2026-27 UHBVNL (Rs. Crore)**

| Particulars                                                      | Amount        |
|------------------------------------------------------------------|---------------|
| Opening GFA                                                      | 12228.76      |
| Rate of Depreciation                                             | 4.24%         |
| Total Depreciation                                               | 518.90        |
| Less: Depreciation on assets contributed by Consumers and grants | 121.99        |
| <b>Approved Depreciation cost</b>                                | <b>396.91</b> |

**HERC Approved Depreciation 2026-27 DHBVNL (Rs. Crore)**

| Particulars                                                      | Amount          |
|------------------------------------------------------------------|-----------------|
| Opening GFA                                                      | <b>16408.14</b> |
| Rate of Depreciation                                             | 4.37%           |
| Total Depreciation                                               | 716.86          |
| Less: Depreciation on assets contributed by Consumers and grants | 281.42          |
| <b>Approved Depreciation cost</b>                                | <b>435.44</b>   |

## 6.12 Return on Equity

Discoms, in their petition, have submitted that the Return on Equity for ARR year has been projected in accordance with the Regulation 20 of MYT Regulations 2024. The relevant excerpt of the MYT Regulations is reproduced as follows:

### *“20. RETURN ON EQUITY*

*20.1. RoE for generation transmission and distribution, shall be allowed, after adding a premium over the 'Base Rate (BR)' based on the performance (both financial as well as operational parameters) of the power utilities, subject to a cap as under: -*

*a) Hydro Generators: BR + 6.5% = up to 13 %*

*Provided that the HEP with pondage or pump storage (PSP) will be eligible for an additional 1% RoE.*

*b) Generators other than Hydro: BR + 5.5% = up to 12%*

*c) Distribution Business: BR + 7.5% = up to 14%*

*d) Transmission Business: BR + 4.5% = up to 11%.*



*Provided that the Base Rate (BR) in these Regulations shall be construed as last 2 years average rate (as on 1st April of the relevant financial year) of 10 years Government of India bond.*

*Provided, that the RoE for generation, transmission and distribution businesses, shall be allowed, after adding a premium over the 'Base Rate (BR)'.*

*Provided further that RoE shall not exceed 14% in any case. SLDC business shall not be eligible for RoE.*

*Provided where the tariff is determined for the entire useful life of the project the RoE allowed shall not be normally re-visited during the entire tariff period. Hence, the same shall be determined at 13% with additional 1% for HEPs with pondage or pump storage (PSP) and 12% for generators other than HEPs.*

20.2. Return on equity shall be allowed on equity employed in assets in use considering the following and subject to Regulation 20.1 above:

- i. Equity employed in accordance with Regulation 19.1 and 19.2 on assets (in use) commissioned prior to the beginning of the year; plus*
- ii. 50% of equity capital portion of the allowable capital cost for the assets put to use during the year.*

*Provided that for the purpose of truing up, return on equity shall be allowed from the COD on pro-rata basis based on documentary evidence provided for the assets put to commercial operation during the year.*

*Provided further that assets funded by consumer contributions, capital subsidies/Govt. grants shall not form part of the capital base for the purpose of calculation of Return on Equity.*

20.3. Return on equity invested in work in progress shall be allowed from the actual date of commercial operation of the assets.

20.4. There shall be no Return on Equity for the equity component above 30%."

## **UHBVNL**

UHBVNL, in its petition, submitted that the Return on equity is projected at the rate of 14% on average equity for FY 2026-27. Detailed calculations of Return on Equity are tabulated as under:

### **UHBVNL Proposed Return on Equity (Rs Crores)**

| <b>Particulars</b>                                      | <b>FY 2026-27</b> |
|---------------------------------------------------------|-------------------|
| Opening Share Capital eligible for RoE                  | 2,784.50          |
| <b>Add:</b> Equity Eligible for ROE (50% of assets use) | 341.16            |
| Closing Equity                                          | 3,125.67          |
| <b>Eligible Equity for RoE</b>                          | 2,955.09          |
| <b>Rate of Return on Equity</b>                         | 14%               |
| <b>Total Return on Equity</b>                           | 413.71            |

UHBVNL has prayed that to allow the Return on Equity for ARR year, as proposed.

## DHBVNL

Admissible opening equity for FY 2026-27 is projected by DHBVNL by adjusting equity portion of opening capital works in progress and average equity capitalized during the year. Detailed calculation of Return on Equity for FY 2026-27 is tabulated as under:

### DHBVNL proposed Return on Equity (Rs. Crore)

| Particulars                                             | FY 2026-27 |
|---------------------------------------------------------|------------|
| Opening Share Capital eligible for RoE                  | 2,370.70   |
| <b>Add:</b> Equity Eligible for ROE (50% of assets use) | 227.97     |
| Closing Equity                                          | 2,598.66   |
| <b>Eligible Equity for RoE</b>                          | 2,598.66   |
| <b>Rate of Return on Equity</b>                         | 12.00%     |
| <b>Total Return on Equity</b>                           | 311.84     |

The licensee has prayed that the projected Return on Equity may be allowed as above.

The Commission has considered the submissions of the licensees and observes that as per the MYT Regulations, 2024, ROE can be allowed on the eligible Equity Capital in use. The Commission, in the light of present petition, considering the non-implementation of the 'Fuel and Power Purchase Adjustment Methodology' prescribed in the Regulation 66 of HERC MYT Regulations, 2019 (3rd Amendment) Regulations, 2023, approves the rate of Return on Equity at 12% of average equity utilized in licensed business during the FY 2026-27 to the Discoms.

The calculation of approved return on equity of UHBVNL considering the approved capital expenditure and its funding thereto and the estimated retirement of assets, is given in the following table:

### Approved Return on Equity for the FY 2026-27 UHBVNL (Rs. Crore)

| Description                       | FY 2026-27    |
|-----------------------------------|---------------|
|                                   | <b>ARR</b>    |
| Opening Equity                    | 2686.91       |
| Add: Equity received for GFA      | 328.96        |
| Closing Equity                    | 3015.87       |
| Average Equity                    | 2851.39       |
| Rate of Return on Equity          | 12.00%        |
| <b>Normative Return on Equity</b> | <b>342.17</b> |

The Commission approves the RoE for UHBVNL as above for FY 2026-27.

The calculation of approved return on equity of DHBVNL considering the approved capital expenditure and its funding thereto and the estimated retirement of assets, is given in the following table:

**Approved Return on Equity for the FY 2026-27 DHBVNL (Rs. Crore)**

| Description                       | FY 2026-27    |
|-----------------------------------|---------------|
|                                   | <b>ARR</b>    |
| Opening Equity                    | 2521.25       |
| Add: Equity received for GFA      | 440.00        |
| Closing Equity                    | 2961.25       |
| Average Equity                    | 2741.25       |
| Rate of Return on Equity          | 12.00%        |
| <b>Normative Return on Equity</b> | 328.95        |
| <b>Proposed RoE</b>               | <b>311.00</b> |
| <b>Allowed as proposed</b>        | <b>311.00</b> |

#### 6.13 Bad and Doubtful Debts

Discoms, in the present petition, have submitted that provision for Bad and Doubtful debts is projected in accordance with Regulation 66 of HERC MYT Regulations, 2024. The relevant extract of HERC MYT Regulations, 2024 is reproduced as under:

*"64 BAD AND DOUBTFUL DEBTS*

*Bad and doubtful debts shall be allowed to the extent the distribution licensee has actually written off bad debts subject to a maximum of 0.5% of sales revenue. However, this shall be allowed only if the distribution licensee submits all relevant data and information to the satisfaction of the Commission. In case there is any recovery of bad debts already written off, the recovered bad debts will be treated as other income."*

#### **UHBVNL**

UHBVNL, in the present petition, had submitted the projections for Bad and doubtful debts for MYT Control Period is provided in the table submitted below:

**UHBVNL proposed Bad and Doubtful Debts for MYT Control Period (Rs Crores)**

| Particulars            | FY 2026-27 |
|------------------------|------------|
| Bad and Doubtful Debts | 90.40      |

In view of above, Nigam has prayed to approve the provision for bad and doubtful debts as claimed above.

## DHBVNL

DHBVNL, in the present petition, had submitted the projections for Bad and doubtful debts for MYT Control Period is provided in the table submitted below:

### **DHBVNL proposed Bad and Doubtful Debts for MYT Control Period (Rs Crores)**

| Particulars                        | FY 2026-27 |
|------------------------------------|------------|
| Provision for Bad & Doubtful Debts | 125.43     |

In view of above, Nigam has prayed to approve the provision for bad and doubtful debts as claimed above.

**The Commission is of the view that bad and doubtful debts shall be allowed during true up only and to the extent the distribution licensee has actually written off bad debts subject to a maximum of 0.5% of sales revenue i.e. within the four corners of the HERC MYT Regulations in vogue. Further, during true up, complete details of the bad and doubtful debts need to be submitted in the petition, as per the MYT regulations in vogue.**

#### **6.14 Non-Tariff Income**

UHBVNL and DHBVNL, have requested that Non-Tariff Income for MYT Control Period is proposed to be kept equivalent to the actual non-tariff income for FY 2024-25.

Nigam(s) have requested that Hon'ble Commission may allow the estimated Non-tariff Income of Rs 183.66 crore to UHBVN and Rs 306.82 Crores to DHBVN for FY 2026-27.

**The Commission finds the proposed amounts of Non-Tariff Income reasonable, and approves the same.**

#### **6.15 Aggregate Revenue Requirement (ARR) for FY 2026-27**

Based on the Commission's approved estimates of various components of the ARR, as discussed in the previous paragraphs, the approved Revenue Requirement (in Rs. Crores) for the FY 2026-27 for the two Discoms is as under: -

**UHBVNL Approved Aggregate Revenue Requirement for FY 2026-27 (Rs Crore)**

| <b>Sr.No</b> | <b>Particulars</b>                               | <b>Proposed</b>   | <b>Approved</b>   |
|--------------|--------------------------------------------------|-------------------|-------------------|
|              |                                                  | <b>FY 2026-27</b> | <b>FY 2026-27</b> |
| <b>1</b>     | <b>Total Power Purchase Expense</b>              | <b>17,887.88</b>  | <b>18,108.54</b>  |
| 1.1          | Power Purchase Expense                           | 15,778.45         | 16,059.42         |
| 1.2          | Interstate transmission Charges                  | 1,149.47          | 1,083.30          |
| 1.3          | Intrastate transmission charges and SLDC charges | 959.96            | 965.83            |
| <b>2</b>     | <b>Operations and Maintenance Expenses</b>       | <b>2,147.59</b>   | <b>2,145.91</b>   |
| 2.1          | Employee Expense                                 | 1,204.01          | 1,204.01          |
| 2.2          | Administration & General Expense                 | 235.9             | 235.90            |
| 2.3          | Repair & Maintenance Expense                     | 217.57            | 215.89            |
| 2.4          | Terminal Liability                               | 490.11            | 490.11            |
| <b>3</b>     | <b>Depreciation</b>                              | <b>581.34</b>     | <b>396.91</b>     |
| <b>4</b>     | <b>Interest &amp; Finance Charges</b>            | <b>654.07</b>     | <b>634.16</b>     |
| 4.1          | Interest on CAPEX loans                          | 300.69            | 293.29            |
| 4.2          | Interest on WC loans including CC/OD limits      | 129.13            | 123.57            |
| 4.3          | Interest Cost on Consumer Security Deposit       | 187.56            | 180.61            |
| 4.4          | Other Interest and Finance Charges               | 36.69             | 36.69             |
| <b>5</b>     | <b>Return on Equity</b>                          | <b>413.71</b>     | <b>342.17</b>     |
| 6            | Other Expenses                                   |                   | <b>0</b>          |
| 7            | Bad and doubtful debts                           | 90.4              | <b>0</b>          |
| <b>8</b>     | <b>Aggregate Revenue Requirement</b>             | <b>21,774.99</b>  | <b>21,627.69</b>  |
| 9            | Less: Non-Tariff Income                          | 183.66            | <b>183.66</b>     |
| <b>10</b>    | <b>Net Aggregate Revenue Requirement</b>         | <b>21,591.33</b>  | <b>21,444.03</b>  |

**DHBVNL Approved Aggregate Revenue Requirement for FY 2026-27 (Rs Crore)**

|          | <b>Particulars</b>                               | <b>Proposed</b>   | <b>Approved</b>   |
|----------|--------------------------------------------------|-------------------|-------------------|
|          |                                                  | <b>FY 2026-27</b> | <b>FY 2026-27</b> |
| <b>1</b> | <b>Total Power Purchase Expense</b>              | <b>25,114.25</b>  | <b>26,051.40</b>  |
| 1.1      | Power Purchase Expense                           | <b>22,488.79</b>  | 23,103.47         |
| 1.2      | Interstate transmission Charges                  | <b>1,492.29</b>   | 1,558.46          |
| 1.3      | Intrastate transmission charges and SLDC charges | <b>1,133.17</b>   | 1,389.47          |
| <b>2</b> | <b>Operations and Maintenance Expenses</b>       | <b>2,490.45</b>   | <b>2,481.01</b>   |
| 2.1      | Employee Expense                                 | <b>1,353.79</b>   | 1,353.80          |
| 2.2      | Administration & General Expense                 | <b>213.5</b>      | 207.20            |
| 2.3      | Repair & Maintenance Expense                     | <b>293.9</b>      | 290.75            |
| 2.4      | Terminal Liability                               | <b>629.26</b>     | 629.26            |
| <b>3</b> | <b>Depreciation</b>                              | <b>697.49</b>     | <b>435.44</b>     |
| <b>4</b> | <b>Interest &amp; Finance Charges</b>            | <b>1132.73</b>    | <b>665.19</b>     |
| 4.1      | Interest on CAPEX loans                          | <b>195.63</b>     | 186.43            |
| 4.2      | Interest on WC loans including CC/OD limits      | <b>614.51</b>     | 165.93            |

|     | Particulars                                | Proposed  | Approved  |
|-----|--------------------------------------------|-----------|-----------|
| 4.3 | Interest Cost on Consumer Security Deposit | 263.48    | 253.72    |
| 4.4 | Other Interest Cost                        | 0.6       | 0.60      |
| 4.5 | Guarantee Fee                              | 58.51     | 58.51     |
| 5   | Return on Equity                           | 311.84    | 311.00    |
| 6   | Provision for Bad & Doubtful Debts         | 125.43    | 0         |
| 7   | Aggregate Revenue Requirement              | 29,872.19 | 29,944.04 |
| 8   | Less: Non-Tariff Income                    | 306.82    | 306.82    |
| 9   | Net Aggregate Revenue Requirement          | 29,565.37 | 29,637.22 |

#### 6.16 Revenue Estimation

##### UHBVNL

UHBVNL, in its petition, has submitted that Revenue from sale of power is projected for ensuing year is calculated based on the projected sales and current level of retail supply tariff. Category wise revenue from sale of power is as below:

##### UHBVNL Proposed Revenue from Sale of Power for FY 2026-27 (Rs Crores)

| Sr.No. | Consumer Category          | Amount    |
|--------|----------------------------|-----------|
| 1      | Domestic                   | 4700.73   |
| 2      | HT Supply                  | 9,780.86  |
| 3      | LT Supply                  | 2,596.63  |
| 4      | Agriculture                | 62.62     |
| 5      | Lift irrigation            | 47.27     |
| 6      | Bulk supply                | 388.49    |
| 7      | Street lighting            | 52.82     |
| 8      | PWW and Others             | 537.45    |
| 9      | Agro Industries            | 4.08      |
| 10     | Electric Charging Stations | 0.45      |
| 11     | Total Energy Charge        | 15,632.60 |
| 12     | Fixed Charges              | 2,538.81  |
| 13     | Total Revenue              | 18,171.41 |
| 14     | Collection Efficiency      | 99.50%    |
| 15     | Revenue Realized           | 18,080.55 |

##### DHBVNL:

DHBVNL, has submitted that category wise revenue from sale of power is given in table below:

##### DHBVNL Proposed Revenue from Sale of Power for FY 2026-27 (Rs Crores)

| Particulars | FY 2026-27 |
|-------------|------------|
| Domestic    | 6,607.30   |
| HT – Supply | 9,751.74   |
| LT – Supply | 2,865.04   |

| Particulars                 | FY 2026-27       |
|-----------------------------|------------------|
| Agriculture/FPO             | 7.06             |
| Agriculture                 | 38.63            |
| Bulk Supply                 | 1,263.16         |
| Lift Irrigation             | 162.15           |
| Street Light                | 83.47            |
| Public Water Works          | 613.36           |
| <b>Total Energy Charges</b> | <b>21,391.91</b> |
| <b>Fixed Charges</b>        | <b>3,693.61</b>  |
| <b>Total Revenue</b>        | <b>25,085.52</b> |

UHBVNL and DHBVNL submitted that Revenue from inter-state sales is estimated on the basis of average variable power purchase cost and surplus power available during the year.

The Commission observed that the Discoms have proposed to garner revenue from inter-state sale of power for the FY 2026-27 on the basis of data shared by the petitioner(s) in their petition. The Commission is of the considered view that in case the Merit Order Dispatch principle is strictly followed and the energy which is surplus is contracted to be sold at its variable cost/ ECR, the revenue generated would be higher than the average variable power purchase cost and would ultimately go towards reducing the power purchase cost. The Commission, instead of calculating revenue from interstate sale separately as a line item in the ARR, has preferred to calculate the power purchase cost only for the energy required for sale to the electricity consumers of Haryana. i.e. fixed cost for long term PPA's is considered to be pass through and the projected power purchase volume is allowed at the average variable cost.

However, the approved revenue for both the discoms is as under:

**Approved Revenue UHBVNL and DHBVNL- FY 2026-27 (Rs. Crore)**

| Particulars                                           | Total           | UHBVNL          | DHBVNL          |
|-------------------------------------------------------|-----------------|-----------------|-----------------|
| Approved Revenue at current tariff on intrastate sale | 47897.16        | 20648.85        | 27248.31        |
| Revenue from Interstate State                         | 0.00            | 0.00            | 0.00            |
| <b>Total Revenue</b>                                  | <b>47897.16</b> | <b>20648.85</b> | <b>27248.31</b> |

#### 6.16 AP Tubewell Subsidy

UHBVNL and DHBVNL, have submitted that Agriculture Subsidy for the FY 2026-27 has been worked out using the normative Agriculture consumption as per the norms and considering the Cost of Supply equivalent to as allowed by the Hon'ble Commission in

Tariff Order dated 28.03.2025. The estimated Agriculture Subsidy for FY 2025-26 is Rs. 3,032.49 Cr. for UHBVNL and Rs. 4,181.87 Crores for DHBVNL.

The Commission observes that the Discoms have projected Agriculture Subsidy for the FY 2026-27 equivalent to the subsidy allowed for the FY 2025-26 in Tariff Order dated 28.03.2025 and also that there is no projection for estimated subsidy for power supplied to either the domestic consumers, MSME or for that matter any other consumer category. In line with the provisions of section 65 of the Electricity Act, there has to be commitment from State Government and the payment of subsidy has to be made in advance. The relevant section is reproduced as under: -

*“Section 65. (Provision of subsidy by State Government): If the State Government requires the grant of any subsidy to any consumer or class of consumers in the tariff determined by the State Commission under section 62, the State Government shall, notwithstanding any direction which may be given under section 108, pay, in advance and in such manner as may be specified, the amount to compensate the person affected by the grant of subsidy in the manner the State Commission may direct, as a condition for the license or any other person concerned to implement the subsidy provided for by the State Government: Provided that no such direction of the State Government shall be operative if the payment is not made in accordance with the provisions contained in this section and the tariff fixed by State Commission shall be applicable from the date of issue of orders by the Commission in this regard.”*

**Based on the ARR and sales projections approved by the Commission in the subsequent portion of this order, the Commission has, based on the voltage wise losses submitted by the Discoms, arrived at the estimated cost of service for supply at HT and LT voltage levels i.e. Rs 7.24/Unit for HT Supply and Rs. 7.48/Unit for LT Supply.** The calculation details have been provided in the present order. In case the Government of Haryana, as per past practice decides to provide RE Subsidy u/s Section 65 of the Act on the tariff determined by this Commission under Section 62 of the Electricity Act, 2003, under intimation to this Commission, it will have to pay in advance, on a quarterly basis i.e. in April for the first quarter, in July for the second quarter, in September for the third quarter and in December 2026 for the fourth quarter. **Additionally, an unpaid subsidy**



(committed and not paid or paid partly) will also have to be paid without any further delay along with carrying cost for the period concerned at an interest rate as considered by this Commission for working capital borrowings by the Discoms. Based on the cost of service of LT consumers as given above and the approved estimate of sales to AP consumers, the calculation of AP subsidy is as given below: -

**Approved subsidy for FY 2026-27 for UHBVNL and DHBVNL**

|   | RE Subsidy calculation                                      | Unit       | Value    |
|---|-------------------------------------------------------------|------------|----------|
| 1 | AP Tube-well sales approved for FY 2026-27                  | MU         | 10686.64 |
| 2 | Cost/ Tariff per unit                                       | Rs/kWh     | 7.480    |
| 3 | Estimated cost of service                                   | Rs. Crores | 7993.61  |
| 4 | Revenue at existing subsidized tariff                       | Rs. Crores | 123.30   |
| 5 | Subsidy required to keep the tariff at current levels = 3-4 | Rs. Crores | 7870.32  |

**6.17 Revenue Surplus / Gap for ARR year FY 2026-27**

Based on the revised estimates for Aggregate Revenue Requirement of Haryana Discoms and proposed income, details of revenue gap for ARR year proposed by the utilities i.e. UHBVNL and DHBVNL are tabulated as follows:

**Proposed Revenue (Gap)/Surplus for ARR year 2026-27 for both Discoms (Rs Cr.)**

| Sr.No | Particulars                                                         | UHBVN     | DHBVN     | Haryana    |
|-------|---------------------------------------------------------------------|-----------|-----------|------------|
| 1     | Net Aggregate Revenue Requirement                                   | 21,591.33 | 29,565.37 | 51,156.71  |
| 2     | Total Revenue                                                       | 22,146.69 | 30,615.18 | 52,761.87  |
| 3     | Revenue from Intrastate sales / Sale of Power                       | 18,080.55 | 24,960.09 | 43,040.65  |
| 4     | Revenue from Interstate sales                                       | 1033.64   | 1473.23   | 2,506.87   |
| 5     | AP- Subsidy                                                         | 3,032.49  | 4,181.87  | 7,214.36   |
| 6     | Revenue Surplus/(Gap) of FY 2026-27                                 | 555.35    | 1,049.81  | 1,605.16   |
| 7     | Revenue Surplus/(Gap) for FY 2024-25                                |           |           | (5,261.23) |
| 8     | Holding cost for 1.5 years @ 10.5% on Gap of FY 2024-25             |           |           | (828.64)   |
| 9     | Net Revenue Surplus/(Gap) of FY 2026-27 after Regulatory Adjustment |           |           | (4,484.71) |

The Commission disallows the carrying cost for the revenue gap determined during the true up of FY 2024-25. The revenue gap is deemed to be a result of mismanagement by the discoms especially unrecovered trade receivables and FPPAS. Also, while determining the FPPAs for the FY 2024-25 in HERC/Petition No. 5 of 2025 and Petition

**No. 6 of 2025 , the Commission vide order dated 10.06.2025 with respect to carrying cost on FPPAs, ordered as under:**

***“The petitioner (s) are allowed to defer the recovery of FPPAS for the FY 2024-25 and charge the same in the subsequent financial years on a uniform per-unit basis across all consumer categories. It is added that although the relief sought by the Discoms is in the larger public interest, but, due to delayed charging of FPPAS in contravention of the regulations having force of law, the petitioner (s) cannot be allowed to recover holding costs on the deferred FPPAS.”***

The Commission, based on approved Aggregate Revenue Requirement and revenue from sale of Power and AP Subsidy, determines revenue neutral tariff with the revenue (gap)/surplus details for ARR year FY 2026-27 for both the Haryana Discoms, as under: -

**Approved Revenue (Gap)/Surplus for FY 2026-27 for both Discoms**

| <b>Total ARR for FY 2026-27</b>                              | <b>Unit</b>        | <b>2026-27</b> |
|--------------------------------------------------------------|--------------------|----------------|
| UHBVNL                                                       | <b>Rs. Crore</b>   | 21444.03       |
| DHBVNL                                                       | <b>Rs. Crore</b>   | 29637.22       |
| Total ARR for FY 2026-27 (A)                                 | <b>Rs. Crore</b>   | 51081.25       |
| Revenue at current tariff on intrastate sale                 | <b>Rs. Crore</b>   | 47897.29       |
| Revenue from Interstate State                                |                    | 0.00           |
| Total Revenue (B)                                            | <b>Rs. Crore</b>   | 47897.29       |
| Total Sales for FY 2026-27 (C)                               | <b>MU</b>          | 72394.11       |
| COS at LT level                                              | <b>Rs per unit</b> | 7.480          |
| AP sales for the FY 2026-27                                  | <b>MU</b>          | 10686.64       |
| Estimated Revenue from AP sales (E)                          | <b>Rs. Crore</b>   | 123.29         |
| AP subsidy at LT COS (F)                                     | <b>Rs. Crore</b>   | 7870.32        |
| Subsidy for other consumers (G)                              | <b>Rs. Crore</b>   | 0.00           |
| Total revenue incl Subsidy (H=B+F+G)                         | <b>Rs. Crore</b>   | 55767.61       |
| Revenue surplus/(Gap) for FY 2026-27 at current tariff (H-A) | <b>Rs. Crore</b>   | 4686.35        |
| Revenue Surplus/(Gap) for FY 2024-25                         | <b>Rs. Crore</b>   | -4686.35       |
| Net Revenue Surplus/Gap for the FY 2026-27                   | <b>Rs. Crore</b>   | 0.00           |

**Discom wise Approved Revenue (Gap)/Surplus for FY 2026-27 (Rs. Crore)**

| <b>Total ARR for FY 2026-27</b>                      | <b>Total</b> | <b>UHBVNL</b> | <b>DHBVNL</b> |
|------------------------------------------------------|--------------|---------------|---------------|
| Total ARR for FY 2026-27 inclusive of FY 2024-25 Gap | 55767.61     | 23622.46      | 32145.15      |
| Total revenue                                        | 55767.61     | 23622.46      | 32145.15      |
| Net Revenue Surplus/Gap for the FY 2026-27           | 0.00         | 0.00          | 0.00          |

## CHAPTER 7

### WHEELING CHARGES

#### 7.1 Wheeling Charges

At the onset, the Commission observes that segregated accounts including voltage wise assets and losses for the distribution and retail supply business are a pre-requisite for determination of wheeling charges and cross-subsidy surcharge. The petitioner(s) have not estimated / projected wheeling charges to be recovered from the beneficiaries of its distribution system. Further, till the time 'carriage' and 'content' businesses are spun off as separate businesses the segregated costs would largely be based on assumptions only.

The Commission observes that the network establishment and operation cost as distinct from retail supply business including the power purchase cost, is about 7.04% of the net ARR of the Discoms.

Accordingly, the same has been considered by the Commission for working out the wheeling tariff for the FY 2026-27. The calculations and the methodology, is presented in the table that follows:

**HERC approved Wheeling Charges (FY 2026-27)**

| <b>1 Network expenses (per kWh)</b>        |                                                                                                              |             |
|--------------------------------------------|--------------------------------------------------------------------------------------------------------------|-------------|
| a.                                         | Network establishment and operation cost (7.04% of the net ARR) (Rs. Million)                                | 35961.20    |
| b.                                         | Allowed gross volume of power purchase by the Discoms at Discom Periphery (MUs) excluding inter-state sales. | 80051.41    |
| c.                                         | Expenses (Rs / kWh) (a/b)                                                                                    | <b>0.45</b> |
| <b>2.1 Cost of losses in the system HT</b> |                                                                                                              |             |
| a                                          | Approved Energy at Discom Boundary (MU)                                                                      | 80051.41    |
| b                                          | Distribution system losses (HT) (technical) %                                                                | 5.08%       |
| c                                          | Losses (MU) (2.1a X 2.1b) Million Units                                                                      | 4065.82     |
| d                                          | Bulk supply power purchase rate for the Discoms (Rs. / kWh)                                                  | 5.52        |
| e                                          | Total cost of losses (2.1dx2.1c) Rs. million                                                                 | 22443.35    |
| f                                          | Cost per unit of losses (Rs. /unit) (2.1e/1b)                                                                | <b>0.28</b> |
| <b>2.2 Cost of losses in the system LT</b> |                                                                                                              |             |
| a                                          | Approved Energy at Discom Boundary (MU)                                                                      | 80051.41    |
| b                                          | Distribution system losses (technical) %                                                                     | 8.95%       |
| c                                          | Losses (MU) (2.2a X 2.2b))                                                                                   | 7166.33     |
| d                                          | Bulk supply power purchase rate for the Discoms (Rs. / kWh)                                                  | 5.52        |
| e                                          | Total cost of losses (2.2dx2.2c) Rs. million                                                                 | 39558.16    |
| f                                          | Cost per unit of losses (Rs. /unit) (2.2 e/1b)                                                               | <b>0.49</b> |

|                                                                  |             |
|------------------------------------------------------------------|-------------|
| <b>3.1 Wheeling Charges HT (Rs. / kWh) (1c+2.1f) rounded off</b> | <b>0.73</b> |
| <b>3.2 Wheeling Charges LT (Rs. / kWh) (1c+2.2f) rounded off</b> | <b>0.94</b> |

The Commission observes that some cost is also borne by the DISCOMs on the embedded open access consumers of the Discoms drawing power at 66kV or above. Hence besides the intra state transmission loss as determined by the Commission for FY 2026-27 in the ARR/Tariff order of HVPNL, such open access consumers shall also be liable to pay the distribution system network cost as determined above i.e. Rs. 0.45 per Unit, till such time they are consumers of the Distribution Licensees.

## **7.2 Cross-Subsidy Surcharge (CSS)**

The regulation 65 of the HERC MYT Regulations, 2024 provides that the cross-subsidy surcharge shall be payable by all intra-State open access consumers, except those persons who have established captive generating station, and are availing open access for carrying the electricity to a destination for their own use.

The Cross-subsidy surcharge, as quantified by the Commission, shall also be payable by such open access consumer(s) who receives supply of electricity from a person other than the distribution licensee in whose area of supply he is located, irrespective of whether he avails such supply through transmission/distribution network of the licensee or not. The consumers located in the area of supply of a distribution licensee but availing Open Access exclusively on inter-State transmission system shall also pay the cross-subsidy surcharge as determined by the Commission.

Further, Section 42 of the Electricity Act, 2003 provides that the surcharge and the cross-subsidies shall be progressively reduced. The Commission has worked out CSS in line with the formula provided in the National Tariff Policy, 2016. The National Tariff Policy dated 28.01.2016 provides as under: -

*“SERCs may calculate the cost of supply of electricity by the distribution licensee to consumers of the applicable class as aggregate of (a) per unit weighted average cost of power purchase including meeting the Renewable Purchase Obligation; (b) transmission and distribution losses applicable to the relevant voltage level and commercial losses allowed by the SERC; (c) transmission, distribution and wheeling charges up to the relevant voltage level; and (d) per unit cost of carrying regulatory assets, if applicable”.*

The above is subject to the proviso that the surcharge shall not exceed 20% of the CoS applicable to the category of the consumers seeking open access. The Commission has considered the methodology prescribed by the National Tariff Policy dated 28.01.2016, while working out cross-subsidy surcharge in the present Order. The relevant provision of the NTP is reproduced below:

*“Surcharge formula:*

$$S = T - [C / (1 - L/100) + D + R]$$

*Where*

*S is the surcharge*

*T is the tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation.*

*C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation.*

*D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level.*

*L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level.*

*R is the per unit cost of carrying regulatory assets (emphasis added).*

The above formula may not work for all distribution licensees, particularly for those having power deficit (emphasis added), the State Regulatory Commissions, while keeping the overall objectives of the Electricity Act in view, may review and vary the same taking into consideration the different circumstances prevailing in the area of distribution licensee.

Provided that the surcharge shall not exceed 20% (emphasis added) of the tariff applicable to the category of the consumers seeking open access.

Provided further that the Appropriate Commission, in consultation with the Appropriate Government, shall exempt levy of cross subsidy charge on the Railways, as defined in Indian Railways Act, 1989 being a deemed licensee, on electricity purchased for its own consumption.

No surcharge would be required to be paid in terms of sub-section (2) of Section 42 of the Act on the electricity being sold by the generating companies with consent of the

competent government under Section 43 (A) (1) (c) of the Electricity Act, 1948 (now repealed) and on the electricity being supplied by the distribution licensee on the authorization by the State Government under Section 27 of the Indian Electricity Act, 1910 (now repealed), till the current validity of such consent or authorization.

The surcharge may be collected either by the distribution licensee, the transmission licensee, the STU or the CTU, depending on whose facilities are used by the consumer for availing electricity supplies. In all cases the amounts collected from a particular consumer should be given to the distribution licensee in whose area the consumer is located. In case of two licensees supplying in the same area, the licensee from whom the consumer was availing supply shall be paid the amounts collected”. The Commission has, estimated cost of service based on the above formula, relying on the consumer category wise and voltage wise losses submitted by the two licensees.

#### **UHBVNL:**

UHBVNL provided the details as part of additional information as below:

| Voltage level and losses | Loss %age    |
|--------------------------|--------------|
| 33 kV Line Losses        | 0.32%        |
| 33 kV Transformer Losses | 0.45%        |
| 11 kV Line Losses        | 3.25%        |
| 11 KV Transformer Losses | 1.04%        |
| LT Line Losses           | 3.69%        |
| <b>Total</b>             | <b>8.75%</b> |

#### **DHBVNL**

DHBVNL provided the additional information regarding voltage wise losses for working out CoS (HT, LT):

| Voltage level and losses | Loss %age    |
|--------------------------|--------------|
| 33 kV Line Losses        | 0.41%        |
| 33 kV Transformer Losses | 0.45%        |
| 11 kV Line Losses        | 3.25%        |
| 11 KV Transformer Losses | 0.98%        |
| LT Line Losses           | 4.00%        |
| <b>Total</b>             | <b>9.09%</b> |

**The Commission observes that the petitioner(s) have submitted the voltage wise losses, as part of the additional information.**

Further, the Commission has perused the voltage wise cost of supply calculated by UHBVNL and DHBVNL separately for various Consumers Categories for FY 2024-25 considering the energy sales and actual T&D losses at various voltage levels. DISCOMs have also uploaded the same on their respective websites, inviting comments from the intervenors. However, no comments have been received on the study from any of the stakeholders. Each functionalized cost has been classified among Demand, Energy Related & Consumer Related costs and has been apportioned according to methodology prescribed by the Commission. This exercise of classification of functionalized costs is done on basis of cost defining characteristics. However, upon perusal of the consumer category-wise, voltage-wise CoS calculated by DISCOMs and the approved CoS for FY 2024-25, it is observed as under:

- i. A comparative of the CoS for FY 2024-25 computed by the discoms as per the voltage-wise and consumer category-wise study vis-à-vis approved by the Commission in its order dated 05.03.2024, in respect of HT and LT consumer category, is as under:

Comparative CoS for FY 2024-25 (Rs/unit)

|    | As per CoS Study, filed by discoms |        | As per HERC approved CoS as per order dated 05.03.2024 |
|----|------------------------------------|--------|--------------------------------------------------------|
|    | UHBVNL                             | DHBVNL |                                                        |
| HT | 7.13                               | 7.14   | 6.12                                                   |
| LT | 8.2                                | 7.63   | 6.48                                                   |

- ii. The Commission observes that the average Cost of Supply (CoS) per unit has increased in the revised approval, reflecting the higher total ARR and adjustments in sales projections. The Average CoS has also increased from 6.30 Rs/unit (as per the Tariff order dated 05.03.2024) to 7.87 Rs/unit in the revised approval. The CoS at the LT level, which was earlier recorded at 6.48 Rs/unit, has been revised to 7.06 Rs/unit, after true up.

In nutshell, for FY 2024-25, it implies that actual CoS is more than CoS approved by the Commission.

- iii. **The Commission also observes that given the variations in voltage-wise losses and energy consumption mix among the two DISCOMs, the resultant CoS has been computed by the Commission on a unit basis, i.e. for Haryana as a whole.**
- iv. **The DISCOMs CoS study i.e. moving from an average cost approach to an embedded cost (voltage-wise) method, shows CoS at different levels i.e. higher than the CoS approved by the Commission as per the methodology prescribed in the National Tariff Policy, 2016.**
- v. **In line with above, the Commission observes that Cost of Supply (CoS) methodology adopted by HERC, as aligned with the National Tariff Policy (NTP) 2016, is a regulatory framework designed to ensure that electricity tariffs reflect the true cost of supplying power to different consumer categories. The core objective is to move away from excessive cross-subsidization towards a sustainable, cost-reflective tariff structure.**

**In view of above discussions, the Commission directs that given the fact that uniform tariff is determined for the State as a whole, Discoms may arrive at the 'average consumer category wise and voltage-wise Cost of Supply', for the state as a whole.**

**The Commission has computed the voltage wise cost of supply based on the energy sales, ARR and projected T&D losses approved for FY 2026-27 in a combined manner for both the Discoms, as the common tariff rates have been approved for both Discoms for FY 2026- 27, in line with National Tariff Policy and the practice adopted by the Commission in its earlier orders.** The difference between technical losses so determined and actual total distribution system losses are considered to be on account of reasons other than technical losses and are therefore taken as commercial losses. The commercial losses so determined have been apportioned between HT and LT voltage levels in proportion to annual gross energy sales at these voltage levels. The annual gross energy sales at the given voltage levels has been taken as the sum of energy consumption of all consumer categories connected at that voltage plus the technical distribution losses corresponding to that voltage level as worked out in the voltage wise loss calculations as per the details provided in the table below: -



**Calculation of Voltage wise losses for the FY 2026-27**

|     |                                                                        | <b>UHBVNL</b> | <b>DHBVNL</b> | <b>Total</b> |
|-----|------------------------------------------------------------------------|---------------|---------------|--------------|
| 1a  | HT sales                                                               | 12,929.42     | 17,539.89     | 30,469.31    |
| 1b  | LT sales                                                               | 16,844.14     | 25,080.66     | 41,924.81    |
| 1   | Total Sales                                                            | 29,773.57     | 42,620.55     | 72394.12     |
| 2   | Losses %                                                               |               |               |              |
| 2a  | HT                                                                     | 5.07%         | 5.09%         |              |
| 2b  | LT                                                                     | 8.75%         | 9.09%         |              |
| 3   | Loss units                                                             |               |               |              |
| 3a  | HT                                                                     | 689.88        | 940.47        | 1630.35      |
| 3b  | LT                                                                     | 1615.75       | 2506.46       | 4122.20      |
|     | Total loss units                                                       | 2305.63       | 3446.93       | 5752.55      |
| 4   | Sales grossed up by Technical losses (1+3)                             |               |               |              |
| 4a  | HT                                                                     | 13619.30      | 18480.36      | 32099.66     |
| 4b  | LT                                                                     | 18459.89      | 27587.12      | 46047.01     |
|     | Total Gross Sales                                                      | 32,079.19     | 46,067.48     | 78,146.67    |
| 5   | Combined Technical losses                                              |               |               |              |
| 5a  | HT (3a/4a)                                                             |               |               | 5.08%        |
| 5b. | LT (3b/4b)                                                             |               |               | 8.95%        |
| 5   | Total                                                                  |               |               | 7.36%        |
| 6   | Total Distribution Losses                                              | 3052.86       | 4604.44       | 7657.29      |
| 7   | Total Commercial losses (6-3)                                          | 747.23        | 1157.51       | 1904.74      |
| 8   | Commercial losses allocated to HT and LT based on grossed up units (4) |               |               |              |
| 8a  | HT                                                                     | 317.24        | 464.35        | 781.58       |
| 8b  | LT                                                                     | 429.99        | 693.17        | 1123.16      |
| 9   | Total Voltage level distribution losses (3+8)                          |               |               |              |
| 9a  | HT                                                                     | 1007.12       | 1404.81       | 2411.93      |
| 9b  | LT                                                                     | 2045.74       | 3199.62       | 5245.36      |
|     |                                                                        |               |               | 7657.29      |
| 10  | Combined Technical and Commercial losses at Distribution level         |               |               |              |
| 10a | HT                                                                     |               |               | 7.34%        |
| 10b | LT                                                                     |               |               | 11.12%       |

In line with the voltage wise (HT and LT Voltages) the distribution losses as worked out above, the calculations for CSS as per National Tariff Policy formula for the FY 2026-27 is as under:

### Cost of Service for FY 2026-27

| Cost of Service as per National Tariff Policy 2026-27 |                                                                                                           |            |
|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|------------|
|                                                       | Elements of cost of service                                                                               | Paise      |
| 1                                                     | Per Unit Weighted average cost of power at State/ Discom periphery (Paise/kWh)                            | 522.22     |
| 2                                                     | Aggregate of transmission, distribution and wheeling charges applicable to the relevant voltage level     |            |
|                                                       | Intra state Transmission cost at consumers end (Paise/kWh) (Transmission and SLDC cost/sales) Paise / kWh | 32.53      |
|                                                       | Distribution (net of power purchase cost) and Wheeling cost at consumers end (Paise/kWh)                  | 127.97     |
| 3                                                     | Total                                                                                                     | 682.73     |
|                                                       | Aggregate of transmission distribution and commercial losses applicable to the relevant voltage level (%) |            |
|                                                       | HT                                                                                                        | 7.34%      |
| 4                                                     | LT                                                                                                        | 11.12%     |
|                                                       | <b>Cost of Service</b>                                                                                    |            |
|                                                       | $C/(1-L/100)+D+R$                                                                                         |            |
|                                                       | HT (Paise / kWh)                                                                                          | <b>724</b> |
|                                                       | LT (Paise / kWh)                                                                                          | <b>748</b> |

The above loss allocation is reflected in the energy allocators at HT and LT voltage levels i.e. lower cost attributed to the HT consumers and higher cost attributed to the LT Consumers. Thus, the Cost of Service in the case of HT Consumers is comparatively lower than that of the consumers receiving electricity supply at LT voltage. The CSS has been worked out as the difference between the applicable tariff and voltage wise CoS computed as above. The Cross-subsidy surcharge for the FY 2026-27, as per the NTP formula, shall be as per the table that follows: -

### Cross-subsidy surcharge for FY 2026-27 (Rs/kWh)

|   | Category                          | CoS (Rs./kWh) | Tariff (FC + EC) (Rs./kWh) | Cross Subsidy Surcharge (Rs./kWh) | CSS Limited to 20% as per NTP | Cross Subsidy Surcharge (Rs./kWh) approved for 2026-27 |
|---|-----------------------------------|---------------|----------------------------|-----------------------------------|-------------------------------|--------------------------------------------------------|
|   |                                   | 1             | 2                          | 3= 2-1                            |                               |                                                        |
| 1 | HT Supply                         | 7.24          | 8.69                       | 1.45                              | 1.45                          | <b>1.45</b>                                            |
| 2 | LT Supply (including bulk supply) | 7.48          | 8.66                       | 1.18                              | 1.50                          | <b>1.18</b>                                            |

The applicable CSS has been restricted to 20% (+/-) limit in accordance with the National Tariff Policy.

## CHAPTER 8

### RENEWABLE PURCHASE OBLIGATION (RPO)

Section 61 (h) read with Section 86 (1) (e) of the Electricity Act, 2003 cast statutory obligation on the Commission to promote cogeneration and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, a percentage of the total consumption of electricity in the area of distribution licensee, for mandatory purchase of electricity from such sources.

In pursuance to the above statute, the Commission notified the Haryana Electricity Regulatory Commission (Terms and Conditions for determination of Tariff from Renewable Energy Sources, Renewable Purchase Obligation and Renewable Energy Certificate) Regulations, 2025, on 29.10.2025. Regulation clause 63 of the ibid Regulations provides as under:-

*“Renewable Purchase / Consumption / Generation obligation. –*

*The Renewable Purchase / Consumption / Generation obligations, as may be notified by the Ministry of Power from time to time, shall be complied by the obligated entities, w.e.f. the FY 2026-27. However, obligated entities may exercise the option to comply with either the HERC trajectory specified in the HERC RE Regulations, 2021 (2nd Amendment), 2022 or the MoP trajectory, for the FY 2025-26.”*

In view of the Regulations reproduced above, obligated entities including Haryana DISCOMs are mandated to comply with notifications issued by Ministry of Power, from time to time. Ministry of Power, in its notification dated 27.09.2025, issued under Section 14 (n) and (x) of the Energy Conservation Act, 2001, has specified the minimum share of electrical energy consumption from renewable energy for designated consumers, who are electricity distribution licensees, open access consumers and captive users. For open access consumers and captive users, this requirement applies to electricity consumption from sources other than distribution licensee. In the ibid notification, minimum share of electrical energy consumption for the FY 2026-27, from renewable energy, has been specified as under:-

| Year    | Wind energy | Hydro energy | Distributed Renewable energy | Other renewable energy | Total renewable energy |
|---------|-------------|--------------|------------------------------|------------------------|------------------------|
| 2026-27 | 1.97%       | 1.34%        | 2.70%                        | 29.94%                 | 35.95%                 |

Note1\*: For hilly and North-Eastern States and Union territories, namely, Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh,

Uttarakhand, Union territory of Jammu and Kashmir and Union territory of Ladakh, the Distributed renewable energy obligation shall be 50% of the level specified in the Table. For distribution licensees serving exclusively urban consumers, the Distributed renewable energy obligation shall be 75% of the specified level. The remaining Distributed renewable energy component obligation for these States and Union territories shall be included in the Other renewable energy component.

Note 2: The obligation under the Wind energy component shall be met by energy produced from Wind Power Projects commissioned after 31st March, 2024.

Note 3: The obligations under the Hydro energy component shall be met by energy produced from Hydro Power Projects, commissioned after 31st March, 2024:

Provided that the obligation under the Hydro energy component may also be met out of the free power being provided to the State or distribution licensee from such Projects:

Provided further that the obligation under the Hydro energy component may also be met from Hydro Power Projects located outside India, as approved by the Central Government, on a case-to-case basis.

Note 4: The obligation under the Distributed renewable energy component shall be met from the energy generated from renewable energy projects that do not exceed 10 MW in size and shall include solar installations under all configurations (net metering, gross metering, virtual net metering, group net metering, behind the meter installations and any other configuration) and Other renewable energy sources notified by the Central Government:

Provided that the compliance against Distributed renewable energy obligation shall ordinarily be considered in terms of energy (kilowatt hour units):

Provided further that in case the designated consumer is unable to provide generation data against Distributed renewable energy installations, the reported capacity shall be converted into Distributed renewable energy generation in terms of energy by a multiplier of 4 kilowatt hour per kilowatt per day (kWh/kW/day).

Note 5: The obligation under the Other renewable energy component may be met by electrical energy produced from any renewable energy project other than specified in Notes 2, 3 and 4. Other renewable energy shall include, but not limited to, electrical energy generated from all,-

(i) Wind Power Projects;

(ii) Hydro Power Projects, including free power, commissioned before 1st April, 2024; and

(iii) co-firing of biomass pellets and charcoal produced from Municipal Solid Waste.

Note 6: Obligations under Wind, Hydro, and Other renewable energy components are fungible (shortfalls in one may be met by surpluses from others), while Distributed renewable energy is non-fungible for its shortfall but its surplus may offset other components.

Note 7: For all the designated consumers, the Renewable Consumption Obligation shall exclude electricity consumed from Nuclear Power Sources.

Note 8: Open access consumers and captive users specified as designated consumers shall meet the specified total Renewable Consumption Obligation, from any renewable energy source.

Note 9: For open access consumers specified as designated consumers, Renewable Consumption Obligation shall include electrical energy consumption at the point of drawal from the grid.

Note 10.(a): For captive users specified as designated consumers, Renewable Consumption Obligation shall include electricity generated and self-consumed, excluding auxiliary consumption. The obligation shall exclude electricity generated and self-consumed from waste heat recovery process using fossil-based sources, except for electricity generated from a Waste Heat Recovery Steam Generator in a captive Combined Cycle Gas-Based Generating Station. The obligations shall also exclude electricity generated and self-consumed through waste energy recovery, including from by-product gases, or other forms of residual energy sources associated with industrial processes.

(b)The obligation shall exclude, -

(i) 50% of the electricity generated and self-consumed from fossil-fuel based co-generation plant; and

(ii) 50 % of the fossil fuel-based electricity consumed in Aluminum smelters.

(An illustrative example is provided in Annexure-I attached to this notification).

Note 11: For designated consumers who are distribution licensees, the Renewable Consumption Obligation shall be calculated based on the electrical energy supplied to consumers within the periphery of the distribution licensee. This supply shall not include the consumption of open access users from the sources other than the distribution licensee and the electricity generated and self- consumed by captive users.

Note 12: Designated consumers may fulfil the specified Renewable Consumption Obligation through one or more of the following methods, namely: -

(i) consumption of renewable electricity, either directly or through an energy storage system;

(ii) purchased or self-generated Renewable Energy Certificates issued in accordance with regulations notified by the Central Electricity Regulatory Commission including Renewable Energy Certificates acquired under Virtual Power Purchase Agreements; and

(iii) payment of the buyout price specified by the Central Electricity Regulatory Commission:

Provided that the sums received through the buyout mechanism shall be credited to the Central Energy Conservation Fund under a separate head, from which 75% of the amount shall be transferred to the respective State Energy Conservation Funds. These sums shall be utilised to support the development of specified renewable energy sources and storage capacities, with the objective of increasing the share of non-fossil fuel energy in the overall energy mix. The Appropriate Government shall specify the mechanism for utilising these sums to support the development of such non-fossil fuel capacities.

Note 13: The Renewable Consumption Obligation compliance for multiple designated consumers under common control shall be considered on an aggregate basis, at the holding company level as defined in the Companies Act, 2013 (18 of 2013), or at the level of a cooperative society registered under the relevant Co-operative Societies Acts, as the case may be.

Note 14: The Bureau shall monitor compliance of this notification and submit periodic report to the Central Government with a copy to the respective State Electricity Regulatory Commissions.

**The *ibid* notification provides that the Bureau of Energy Efficiency (BEE) shall monitor compliance and submit periodic report to the Central Government with a copy to the respective State Electricity Regulatory Commissions. For compliance monitoring, all the designated consumers shall furnish the required information in the format annexed with the said notification, duly certified by the State Load Dispatch Center for distribution licensees, and by a Bureau empanelled accredited energy auditing firm for all other designated consumers.**

In compliance of RPO targets set by the Commission for the FY 2024-25, the Discoms have filed their compliance report, vide letter no. Ch-93/CE/HPPC/SE/C&R-1/LTP-III/RPO dated 19.06.2025, as under: -

| Particulars                                                                          |             | FY 2024-25 |
|--------------------------------------------------------------------------------------|-------------|------------|
| Total Energy consumption (in Mus) for the FY 2024-25, eligible for RPOs              | 1           | 51128      |
| RPO Required under category "other RPO" (in %)                                       | 2           | 26.37      |
| RPO required under category "WPO" (in %)                                             | 3           | 2.46       |
| RPO Required under category "HPO" (in %)                                             | 4           | 1.08       |
| RPO target required "other RPO" (MUs)                                                | $5=1*2/100$ | 13482      |
| RPO target required "wind RPO" (MUs)                                                 | $6=1*3/100$ | 1257       |
| RPO target required "HPO" (MUs)                                                      | $7=1*4/100$ | 552        |
| No. of MUs generated/purchased from Renewable energy sources in "other RPO- category | 8           | 15838      |
| No. of MUs generated/purchased from Renewable energy sources in "WPO" category       | 9           | 1265       |
| No. of MUs generated/purchased from Renewable energy sources in "HPO" category       | 10          | 1388       |
| Shortfall (-)/Surplus (+) (other RPO)                                                | $11=8-5$    | +2356      |
| Shortfall (-) /Surplus (+) (WPO)                                                     | $12=9-6$    | +8         |
| Shortfall (-) Surplus (+) (HPO)                                                      | $13=10-7$   | +836       |

The Commission observes that the Discoms had applied for issuance of REC for the procurement of renewable energy over and above the target set by the Commission, for the FY 2024-25, after getting the data validated from SLDC.

HAREDA is obligated to monitor and report compliance by other obligated entities as well. In this regard, HAREDA is also directed to proceed in line with regulation clause 66 "Effect of Default" of the HERC RE Regulations in vogue, against the defaulting obligated entities. HAREDA is further directed to sensitize the consumers and the obligated entities, the need to contribute towards greening the power sector.

The State Nodal Agency i.e. HAREDA shall continue submitting quarterly status of RPO met by the obligated entities for the last quarter, in accordance with the provisions of regulations 65 (4) of the Haryana Electricity Regulatory Commission (Terms and Conditions for determination of Tariff from Renewable Energy Sources, Renewable Purchase Obligation and Renewable Energy Certificate) Regulations, 2025.

**The Discoms and other obligated entities are directed to comply with the RPO target as per the notification of the Ministry of Power and submit the requisite information to the State Nodal Agency on monthly basis by 10th of every month for the previous month to enable the State Agency to submit quarterly report to the Forum of Regulators (FOR) as well as to the Bureau of Energy Efficiency (Ministry of Power), under intimation to this Commission.**

## CHAPTER 9

### ADDITIONAL TARIFF ISSUES

UHBVNL and DHBVNL, in its petition, in addition to the True-up of FY 2024-25, Mid-Year Performance Review for FY 2025-26 and Aggregate Revenue Requirement of FY 2026-27, have submitted few additional issues/clarifications that may require consideration from the Commission. Discoms have prayed to the Commission to peruse and consider the following issues for ease of implementation of tariff order.

#### 9.1 Tariff for EV Charging Stations.

DISCOMs have submitted that in the Tariff Order for FY 2024–25, the Hon’ble Commission had specified that EV charging stations shall be levied a single-part tariff equivalent to the Cost of Supply (CoS) of HT supply and LT supply. The relevant portion from the tariff order is 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 and LT Supply, as determined in the present order. The off peak/night-time concession benefits shall also be applicable. There shall be no fixed / demand charges.”*

However, in the Tariff Order for FY 2025-26, issued on 28.03.2025, the tariff for EV charging stations has been mentioned only as the CoS of HT supply (Rs. 7.05/kWh), irrespective of the supply voltage level. No separate tariff has been mentioned for EV stations connected on LT supply.

In view of the above, DISCOMs have requested the Commission to clarify or specify the tariff for EV charging stations under LT supply as well, as was done in Tariff Order for FY 2024-25.

#### **Commission Observations:**

**The Commission has examined the submissions of the petitioner(s) and observes that in respect of electricity supply to the EV charging stations in Haryana connected on LT supply, the tariff shall be equivalent to the CoS of LT supply. The tariff schedule shall accordingly be revised which shall be applicable w.e.f. 01.04.2026.**



## 9.2 The Tariff for Agro Industries/FPO.

DISCOMs have submitted that in the Tariff Order Tariff Order for FY 2025-26, issued on 28.03.2025, the tariff applicable to certain Agro-based industries has been fixed as defined as under:

| Agro Industries / FPO                                                                              |                                      |               |     |
|----------------------------------------------------------------------------------------------------|--------------------------------------|---------------|-----|
| Mushroom compost & spawn, high-tech hydroponics & aeroponics and cold storage units set up by FPOs | Energy charges (paise/ kWh)          | Fixed charges | MMC |
| Upto 20 KW                                                                                         | 475 / kWh                            | Nil           | Nil |
| Above 20 KW                                                                                        | 650 / kWh                            | Nil           | Nil |
| Agro Industries/ FPO not covered in the above category: -                                          | Energy charges                       | Fixed charges | MMC |
| Upto 20 KW                                                                                         | 475 / kWh                            | Nil           | Nil |
| 20 KW-50 KW                                                                                        | As applicable to LT supply consumers |               |     |
| Above 50 KW                                                                                        | As applicable to HT supply consumers |               |     |

The Tariff for Mushroom compost & spawn, high-tech hydroponics & aeroponics and cold storage units set up by FPOs above 20 kW is 650/kWh. However, no upper load limit has been defined under this category.

In view of the above, DISCOMs have requested the Commission to clarify or re-specify that whether the tariff of Rs. 6.50/kWh applies only up to 50 kW load and beyond that HT tariff is applicable.

### Commission Observations:

The Commission has considered the submissions of the petitioner (s) and observes that Hon'ble CM, Haryana in the budget speech for the FY 2025-26 dated 17.03.2025, has announced as under:-

*“39 (xvii) I have decided to provide electricity to three emerging activities-namely mushroom compost and spawn, high-tech hydroponics and aeroponics, and cold storage units with a load of more than 20 KW set up by FPOs-at the rate of Rs 6.50 per unit, instead of Rs 7.50 per unit. To this effect, a new category will be created through issuance of an order to the Haryana Electricity Regulatory Commission.”*

The ibid tariff category was introduced in order to honour the CM announcement, wherein no upper load limit has been specified.

Accordingly, the tariff of Rs. 6.50/kWh shall be applicable irrespective of the load.

### **9.3 Applicability of Fixed Charges on Domestic Net Meter Connections.**

DISCOMs have submitted that during the implementation process of the tariff order, ambiguity was observed regarding the levy of Fixed Charges on Domestic Net Metered Connections (Category-II) i.e. whether to levy the same on the basis of:

- (i) Net Billed Units (Import - Export) or
- (ii) Total Consumed Units (Import-Export + Solar Generation).

In view of the above, DISCOMs have requested to specify whether Fixed Charges for Domestic Net Metered consumers are to be levied based on net consumption (Import minus Export) or on total consumption including solar generation, so as to ensure uniform interpretation and consistent implementation across both DISCOMs.

UHBVNL has further submitted that in the joint meeting dated 23.04.2025 with commercial wing of DHBVN, it was decided that fixed charges to be levied after considering the total consumption of the consumer in line with the earlier MMC calculation.

#### **Commission Observations:**

**The Commission has examined the submissions of the petitioner (s) that as per the Net Metering Regulations read with Sales Circular No. D-33/2021/U-29/2021, Minimum Monthly Charges (MMC) are leviable on total consumption. In the tariff order dated 28.02.2025, MMC were replaced with fixed charges. Accordingly, it is clarified that fixed charges to be levied after considering the total consumption of the consumer in line with the earlier MMC calculations.**

### **9.4 Clarification regarding applicability of 5% rebate on Prepaid Meters.**

UHBVN has submitted that Regulation 5 of the HERC (Prepaid Smart Metering), Regulations, 2022, provides for a rebate of 5% for consumers availing supply through prepaid smart meters. However, there is ambiguity regarding applicability of 5% rebate on total tariff, including Energy Charges, Fixed Charges, and Minimum Monthly Charges (MMC) or only on Energy Charges component of the Tariff.

UHBVNL has submitted that Fixed Charges and MMC are meant to recover fixed network and service costs, which remain unchanged irrespective of prepaid/post-paid mode. Applying rebate only on Energy Charges is consistent with tariff design principles and avoids

revenue distortion. The rebate on Energy Charges alone strikes a balance between incentivising prepaid metering and safeguarding recovery of fixed costs.

In view of the above, UHBVNL has requested to clarify on applicability of 5% rebate on Prepaid Meters.

**Commission Observations:**

**The Commission has considered the submission of UHBVNL. The Commission observes that the rebate provided under Regulation 5 of the HERC (Prepaid Smart Metering) Regulations, 2022 is intended to encourage consumers to opt for prepaid smart metering and to promote efficient billing and collection mechanisms. Since the said Regulations provides for a rebate of 5% for consumers availing supply through prepaid smart meters without distinguishing between different components of the tariff, the benefit of such rebate ought to accrue to the consumer on the tariff payable for supply of electricity. Accordingly, the Commission holds that the 5% rebate shall be applicable on the Energy Charges as well as Fixed Charges/Minimum Monthly Charges (MMC), wherever applicable, for consumers availing supply through prepaid smart meters. However, the said rebate shall not be applicable on any other charges, levies, duties, or surcharges forming part of the electricity bill. Further, no recovery shall be made in respect of rebate on other charges granted prior to the date of issue of this order, if any.**

## CHAPTER 10

### TIME OF DAY/USE TARIFF

#### 10.1 ToD / ToU Tariff / Night-time Concessional Tariff for FY 2026-27

The Commission had introduced ToD tariff, to enable the distribution licensee to flatten its load curve, vide ARR/Tariff Order dated 30.03.2022 and further certain amendments were introduced from time to time. Such dispensations would benefit Discoms in terms of saving of additional power purchase cost during the peak months / hours as well as incurring cost on augmentation of transmission / distribution and wheeling network. While the consumers will benefit in terms of reduction in energy bills by shifting their demand to off peak periods. Additional charge is levied for consumption of electricity during peak-hours and rebate is allowed for consumption during off-peak hours, in order to incentivize consumers to shift their consumption from peak to off-peak hours, for flattening of the load curve and minimizing the cost of power procurement to the distribution licensee.

The distribution licensee i.e. UHBVNL, on behalf of both the Discoms, vide its Memo No. Ch-02/RA/F-25/Vol-81 dated 22.03.2022, with reference to the letter to the MDs of the Discoms, from the Govt of Haryana / Power Department Memo No. Ch-238/DSO-512 has made the following submissions, which were approved by the Commission in the Tariff Order dated 30.03.2021: -

- i. Concessional Tariff or power drawn during off peak hours i.e. 21:00 to 05:30 hours in excess of normal consumption during the corresponding month in the preceding year will be optional and will be available only to HT Consumers, including furnaces, who opt for the scheme, during the period November to March.
- ii. The HT Consumer, desirous of availing this tariff as per the terms and conditions proposed by the Discoms, shall submit the application to the Chief Engineer / Commercial of respective Discom.
- iii. The Committee comprising of Chief Engineer/Commercial and SE / Metering & Protection shall clear the applications, as far as possible, within the same day. However, the decision shall in no case be delayed beyond three working days from the date of receipt of the application.

- iv. The Tariff, as given below, which shall be exclusive of FSA, ED and M. Tax, would be applicable for the energy drawn during off peak hours i.e. 21:00 to 05:30 hours over and above normal consumption in the corresponding month of the preceding year. The energy drawn over and above the normal consumption, on which concessional tariff would apply, would be equal to lesser of, where

x= Cumulative change in consumption during night hours (21:00 Hrs to 05:30 Hrs) over the entire billing cycle

y= Cumulative change in total consumption during the 00:00 to 24:00 hours over the entire billing cycle.

- v. The base consumption for working out the change in consumption would be decided by the Nigam on case-to-case basis keeping in view the factors like seasonality, load/CD extension etc.
- vi. The concessional tariff from November 2021 to March 2022 (for time slot of 21:00 to 05:30) shall be as under:

**TOU/TOD Tariff**

|    |                                 |                |
|----|---------------------------------|----------------|
| a) | HT Consumers on 11/33 kV        | : Rs 4.25/kVAh |
| b) | HT Consumers on 66 kV and above | : Rs 3.75/kVAh |

- vii. Once opting to avail concessional tariff, the consumer would continue to be charged concessional tariff for the entire duration of the Scheme from November to March. The billing under concessional tariff shall commence from start of billing period immediately following the date of acceptance of the application of the consumer.
- viii. Other terms & conditions of this tariff shall remain as per the ongoing approved concessional tariff scheme.
- ix. In respect of HT industry (including Arc furnace) HT NDS, Bulk Supply (other than Bulk Domestic), the approved ToD/ToU Tariff shall be as under: -

| Period         | Differential Tariff                                                                                                     | Time                   |
|----------------|-------------------------------------------------------------------------------------------------------------------------|------------------------|
| Off-Peak Hours | For incremental consumption: -<br>HT Consumers on 11/33 kV- Rs 4.25/kVAh<br>HT Consumers on 66 kV & above- Rs 3.75/kVAh | 09:00 P.M to 05:30 A.M |
| Peak Hours     | Normal Energy charges and applicable PLEC charges                                                                       | 5:30 P.M to 09:00 P.M  |

| Period         | Differential Tariff                                                                  | Time                  |
|----------------|--------------------------------------------------------------------------------------|-----------------------|
| Normal Hours   | Normal Energy charges determined by the Commission                                   | 05:30 A.M to 5:30 P.M |
| Demand Charges | As determined by the Commission - shall be the same for all categories of consumers. |                       |

The Commission observes that the above ToD/ToU is already in vogue in Haryana and in absence of any specific proposal of the Discoms in this regard, approves the continuity of ToD/ToU tariff scheme as approved in the tariff order dated 05.03.2024.

The benefit of the scheme shall be extended to all other consumers also where there is a provision in the installed meters for recording consumption in the particular time slot(s).

The concessional off – peak tariff / night time concession shall also be applicable for the EV Charging stations for the entire energy drawl during the off-peak hours.

**The ToD / ToU dispensation in vogue shall continue in the FY 2026-27, the timing of which shall be 9 P.M to 5.30 A.M or the time slots decided by the Discoms and as per the period/months decided by discoms depending upon the availability of power/demand considering power surplus scenario after giving it a wide publicity provided there is a provision in the installed meters for recording consumption in the particular time slot(s).**

The Commission has further observed that the Ministry of Power (MoP) had notified the Electricity (Rights of Consumers) Amendment Rules, 2023 on 14th June, 2023. The Electricity (Rights of Consumers) Amendment Rules, 2023, provides that the time of day (ToD) tariff for commercial and industrial consumers during peak hours of the day shall not be less than 1.2 times the normal tariff and for other consumers, it shall not be less than 1.1 times the normal tariff. The rule no 8A inserted in the existing rules, read as under:

***“(8A) Time of Day Tariff. -The Time of Day tariff for Commercial and Industrial consumers having maximum demand more than ten Kilowatt shall be made effective from a date not later than 1st April, 2024 and for other consumers except agricultural consumers, the Time of Day tariff shall be made effective not later than 1st April, 2025 and a Time of Day tariff shall be made effective immediately after installation of smart meters, for the consumers with smart meters:***

***Provided that, the Time of Day Tariff specified by the State Commission for Commercial and***

*Industrial consumers during peak period of the day shall not be less than 1.20 times the normal tariff and for other consumers, it shall not be less than 1.10 times the normal tariff:*

*Provided further that, tariff for solar hours of the day, specified by the State Commission shall be at least twenty percent less than the normal tariff for that category of consumers:*

*Provided also that the Time of Day Tariff shall be applicable on energy charge component of the normal tariff:*

*Provided also that the duration of peak hours shall not be more than solar hours as notified by the State Commission or State Load Despatch Centre.*

**Explanation:** - *For the purposes of this rule, the expression “solar hours” means the duration of eight hours in a day as specified by the State Commission.”*

**Accordingly, the Commission in last tariff order dated 28.03.2025 directed the Discoms, to file a separate petition, in line with the ibid notification of the MoP, dated 14.06.2023, with a specific proposal for approval and implementation of ToD Tariff for the electricity consumers of the State other than AP consumers. The petition to be filed duly supported by the complete data of load curve in different time slots of the day and months. The consumer category wise consumption data for the proposed time slots, may be utilized in determining the ToD structure. Further, data/details such as Average Market Clearing Price during different months/time-slots, peak and off-peak hours, solar and non-solar hours etc., should also be provided. The proposal to also include the tariff for the peak/off-peak /solar / non-solar hours and the impact of the ToD implementation on the load curve (daily and seasonal basis) as well as on the overall revenue.**

However, during the course of various public hearings and in the SAC meeting, the Commission observed that the existing scheme of allowing Time-of-Day (ToD) tariff on incremental consumption has not been effective in flattening the demand load curve. Accordingly, the DISCOMs have been advised to file a separate petition seeking approval for implementation of a comprehensive ToD tariff framework for electricity consumers of the State, including seasonal industries, excluding AP consumers. The petition shall be duly supported with complete and detailed data, including:

- Load curve data for different time slots of the day and across months;
- Consumer-category-wise consumption data mapped to the proposed time slots;
- Average Market Clearing Prices during different months and time slots;

- Identification of peak and off-peak hours, and solar and non-solar hours; and
- Proposed tariff structure for peak, off-peak, solar, and non-solar hours.

The proposal shall also clearly bring out the impact of ToD tariff implementation on the daily and seasonal load curve as well as on the overall revenue of the DISCOMs.

**However, in response, DISCOMs have submitted that the data required for filing the petition is voluminous and time consuming. The DISCOMs are already in process of compiling the data and making the desired proposal. Accordingly, the DISCOMs requested some more time to file the petition duly supported by complete data.**

**In view of the above, the Commission directs the discoms to file the ToD/ToU petition containing a detailed proposal duly supported by relevant data after comprehensive analysis within 4 months from the date of this order.**



## **CHAPTER 11**

### **DISTRIBUTION & RETAIL SUPPLY TARIFF**

The Discoms / Distribution Licensees (UHBVNL and DHBVNL) have projected a combined revenue gap of Rs. 4484.71 Crore for the FY 2026-27 after considering revenue gap of Rs. 5261.23 for the FY 2024-25, without filing a specific proposal regarding the consumer category-wise tariff hike as well as the amount (Rs/crore), in order to meet the revenue gap.

Considering the same, the Commission, after holding a public hearing in the matter, in its interim order dated 09.01.2026 followed by letters dated 02.01.2026/05.01.2026, directed the Discoms to file the specific proposal regarding the consumer category-wise tariff hike as well as the amount (Rs/crore), in order to meet the revenue gap. However, even after a lapse of two and half months, the same was not filed in the Commission. Accordingly, the Commission, vide its letter dated 12.03.2026, issued a reminder directing DISCOMs to file their proposal within two days from the date of issue of the *ibid* letter. The Commission has examined the provisions of Section 64 (3) of the Electricity Act, 2003, which provides that the appropriate Commission shall, within one hundred and twenty days from receipt of an application under sub-section (1) and after considering all suggestions and objections received from the public, issue a tariff order accepting the application with such modifications or such conditions as may be specified in that order.

**In view of the above, the Commission observes that it is duty bound to pass the order within the specified time frame.**

**The Commission, after the aforesaid preliminary observations has proceeded to examine the current tariff structure in view of the revenue requirement and revenue available at the current tariff, in order to rationalize the same wherever considered necessary.**

**The primary objectives of the Electricity Act, 2003 includes that the generation, distribution and supply of electricity are conducted on commercial principles as well as safeguarding of consumers interest and at the same time, recovery of the cost of electricity in a reasonable manner. Hence, the Commission has to strike a fine balance between the Distribution Licensee(s) as well as the electricity consumers so that quality power is delivered at a reasonable cost. The Commission, while rationalizing the consumer category wise tariff, has kept in mind the principles of tariff determination as per Sections 61 and Section 62 of the EA,**

**2003, the Tariff Policy, 2016 including the limits of Cross – Subsidy surcharge and the MYT Regulations in vogue.**

**The Commission is conscious of the fact that the Discoms have not proposed any change in the rates or in the tariff design per.se.**

**In view of the above, the Commission directs that in the next ARR filing, the Discoms shall submit a comprehensive tariff proposal. Such proposal need not necessarily be limited to an increase or decrease in tariff, but should also address improvement in tariff design, rationalization of consumer categories/sub-categories, and re-alignment of demand/fixed charges, wherever considered appropriate. The proposal shall also clearly bring out the impact of such changes on a typical consumer across major consumer categories.**

**The Commission notes that the licensees have projected a revenue gap of ₹4,484.71 crore for FY 2026-27, which has been re-assessed by the Commission after applying prudence check and the norms specified under the MYT Regulations currently in force. However, the Commission also notes that, in view of the amended Electricity Rules issued by the Ministry of Power, Government of India, the true-up may be required sooner than later. Accordingly, the gap that may arise on account of true-up based on the audited accounts for FY 2024-25 has been subsumed in the revenue surplus estimated for FY 2026-27.**

**In view of the above, the Commission is of the considered opinion that revision of the distribution and retail supply tariff is not warranted at this stage.**

**Subsequent to the determination of the ARR for the FY 2026-27, the tariff now determined is placed at Annexure – A.**

**The tariff(s) shall be applicable w.e.f. 01.04.2026 and shall continue to be vogue till the same is amended / re-determined by the Commission.**

**All the directives contained in the various chapters of the present order as well as the Annexures, shall be complied with by the Discoms within the timeline specified for the purpose.**

**This Order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 25.03.2026.**

|                         |                     |                      |                          |
|-------------------------|---------------------|----------------------|--------------------------|
| <b>Date: 25.03.2026</b> | <b>-sd-</b>         | <b>-sd-</b>          | <b>-sd-</b>              |
| <b>Place: Panchkula</b> | <b>(Shiv Kumar)</b> | <b>(Mukesh Garg)</b> | <b>(Nand Lal Sharma)</b> |
|                         | <b>Member</b>       | <b>Member</b>        | <b>Chairman</b>          |

## ANNEXURE – A

### Schedule of Tariff and Charges

| Tariff for 2025-26 (W.E.F. 01.04.2025) |                                                         |                                       |                                                                                                                                            |                                                                  | Tariff for 2026-27 (W.E.F. 01.04.2026)                  |                                         |                                                                                                                                            |     |  |
|----------------------------------------|---------------------------------------------------------|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|-----|--|
| Sr. No.                                | Category of consumers                                   | Energy Charges (Paisa / kWh or/ kVAh) | Fixed Charge (Rs. per kW per month of the connected load / per kVA of sanctioned contract demand (in case supply is on HT) or as indicated | MMC (Rs. per kW per month of the connected load or part thereof) | Category of consumers                                   | Energy Charges (Paisa / kWh or/ kVAh) * | Fixed Charge (Rs. per kW per month of the connected load / per kVA of sanctioned contract demand (in case supply is on HT) or as indicated | MMC |  |
| 1                                      | Domestic Supply                                         |                                       |                                                                                                                                            |                                                                  | Domestic Supply                                         |                                         |                                                                                                                                            |     |  |
|                                        | Category I: (for consumers up to 2 kW)                  |                                       |                                                                                                                                            |                                                                  | Category I: (for consumers up to 2 kW)                  |                                         |                                                                                                                                            |     |  |
|                                        | 0 - 50 units per month                                  | 220/kWh                               | Nil                                                                                                                                        | Nil                                                              | 0 - 50 units per month                                  | 220/kWh                                 | Nil                                                                                                                                        | Nil |  |
|                                        | 51-100                                                  | 270/kWh                               | Nil                                                                                                                                        |                                                                  | 51-100                                                  | 270/kWh                                 | Nil                                                                                                                                        |     |  |
|                                        | Category II: (for consumers having load up to 5 kW)     |                                       |                                                                                                                                            |                                                                  | Category II: (for consumers having load up to 5 kW)     |                                         |                                                                                                                                            |     |  |
|                                        | 0-150                                                   | 295 / kWh                             | Nil                                                                                                                                        | Nil                                                              | 0-150                                                   | 295 / kWh                               | Nil                                                                                                                                        | Nil |  |
|                                        | 151-300                                                 | 525 / kWh                             | Nil                                                                                                                                        |                                                                  | 151-300                                                 | 525 / kWh                               | Nil                                                                                                                                        |     |  |
|                                        | 301-500                                                 | 645 /kWh                              | Rs. 50/kW                                                                                                                                  |                                                                  | 301-500                                                 | 645 /kWh                                | Rs. 50/kW                                                                                                                                  |     |  |
|                                        | Above 500                                               | 710 / kWh                             | Rs. 50/kW                                                                                                                                  |                                                                  | Above 500                                               | 710 / kWh                               | Rs. 50/kW                                                                                                                                  |     |  |
|                                        | Category III (for consumers having load more than 5 kW) |                                       |                                                                                                                                            |                                                                  | Category III (for consumers having load more than 5 kW) |                                         |                                                                                                                                            |     |  |
|                                        | 0-500                                                   | 650 / kWh                             | Rs. 75/kW                                                                                                                                  | Nil                                                              | 0-500                                                   | 650 / kWh                               | Rs. 75/kW                                                                                                                                  | Nil |  |
|                                        | 501-1000                                                | 715 / kWh                             | Rs. 75/kW                                                                                                                                  | Nil                                                              | 501-1000                                                | 715 / kWh                               | Rs. 75/kW                                                                                                                                  | Nil |  |
|                                        | Above 1000                                              | 750 /kWh                              | Rs. 75/kW                                                                                                                                  | Nil                                                              | Above 1000                                              | 750 /kWh                                | Rs. 75/kW                                                                                                                                  | Nil |  |
| 2                                      | Non-Domestic                                            |                                       |                                                                                                                                            |                                                                  | Non-Domestic                                            |                                         |                                                                                                                                            |     |  |
|                                        | Merged with LT Supply Tariff                            |                                       |                                                                                                                                            |                                                                  | Merged with LT Supply Tariff                            |                                         |                                                                                                                                            |     |  |
|                                        | Merged with HT Supply Tariff                            |                                       |                                                                                                                                            |                                                                  | Merged with HT Supply Tariff                            |                                         |                                                                                                                                            |     |  |
|                                        | Merged with HT Supply Tariff                            |                                       |                                                                                                                                            |                                                                  | Merged with HT Supply Tariff                            |                                         |                                                                                                                                            |     |  |
| 3                                      | HT Supply (above 50 kW) including Traction and DMRC     |                                       |                                                                                                                                            |                                                                  | HT Supply (above 50 kW) including Traction and DMRC     |                                         |                                                                                                                                            |     |  |
|                                        | Supply at 11 KV                                         | 695/kVAh                              | Rs. 290/kVA /Month                                                                                                                         | Nil                                                              | Supply at 11 KV                                         | 695/kVAh                                | Rs. 290/kVA /Month                                                                                                                         | Nil |  |
|                                        | Supply at 33 KV                                         | 685/kVAh                              | Rs. 290/kVA /Month                                                                                                                         | Nil                                                              | Supply at 33 KV                                         | 685/kVAh                                | Rs. 290/kVA /Month                                                                                                                         | Nil |  |
|                                        | Supply at 66/132 kV                                     | 675/kVAh                              | Rs. 290/kVA /Month                                                                                                                         | Nil                                                              | Supply at 66/132 kV                                     | 675/kVAh                                | Rs. 290/kVA /Month                                                                                                                         | Nil |  |
|                                        | Supply at 220 kV                                        | 670/kVAh                              | Rs. 290/kVA /Month                                                                                                                         | Nil                                                              | Supply at 220 kV                                        | 670/kVAh                                | Rs. 290/kVA /Month                                                                                                                         | Nil |  |
|                                        | Supply at 400 kV                                        | 655/kVAh                              | Rs. 290/kVA /Month                                                                                                                         | Nil                                                              | Supply at 400 kV                                        | 655/kVAh                                | Rs. 290/kVA /Month                                                                                                                         | Nil |  |
|                                        | Arc furnaces/ Steel Rolling Mills (supply at 11 kV)     | 725/kVAh                              | Rs. 290/kVA /Month                                                                                                                         | Nil                                                              | Arc furnaces/ Steel Rolling Mills (supply at 11 kV)     | 725/kVAh                                | Rs. 290/kVA /Month                                                                                                                         | Nil |  |
| 4                                      | LT Supply - up to 50 kW                                 |                                       |                                                                                                                                            |                                                                  | LT Supply - up to 50 kW                                 |                                         |                                                                                                                                            |     |  |
|                                        | Upto 10 KW                                              | 645/kVAh                              | Rs. 100/kW/Month                                                                                                                           | Nil                                                              | Upto 10 KW                                              | 645/kVAh                                | Rs. 100/kW/Month                                                                                                                           | Nil |  |
|                                        | Above 10 KW & upto 20 kW                                | 680/kVAh                              | Rs. 100/kW/Month                                                                                                                           | Nil                                                              | Above 10 KW & upto 20 kW                                | 680/kVAh                                | Rs. 100/kW/Month                                                                                                                           | Nil |  |
|                                        | Above 20 KW and upto 50 KW                              | 660/kVAh                              | Rs. 250/kW/Month                                                                                                                           | Nil                                                              | Above 20 KW and upto 50 KW                              | 660/kVAh                                | Rs. 250/kW/Month                                                                                                                           | Nil |  |
|                                        | Existing consumers above 50 kW upto 70 kW (LT)          | Merged with HT Supply                 |                                                                                                                                            |                                                                  | Existing consumers above 50 kW upto 70 kW (LT)          | Merged with HT Supply                   |                                                                                                                                            |     |  |
| 5                                      | Agro Industries / FPO                                   |                                       |                                                                                                                                            |                                                                  | Agro Industries / FPO                                   |                                         |                                                                                                                                            |     |  |
|                                        | Mushroom compost & spawn, high-tech hydroponics &       |                                       |                                                                                                                                            |                                                                  | Mushroom compost & spawn, high-tech hydroponics &       |                                         |                                                                                                                                            |     |  |

| Tariff for 2025-26 (W.E.F. 01.04.2025) |                                                                               |                                                                  |                                                                                                                                            |                                                                  | Tariff for 2026-27 (W.E.F. 01.04.2026)                                        |                                                                  |                                                                                                                                            |                      |  |
|----------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--|
| Sr. No.                                | Category of consumers                                                         | Energy Charges (Paisa / kWh or/ kVAh)                            | Fixed Charge (Rs. per kW per month of the connected load / per kVA of sanctioned contract demand (in case supply is on HT) or as indicated | MMC (Rs. per kW per month of the connected load or part thereof) | Category of consumers                                                         | Energy Charges (Paisa / kWh or/ kVAh) *                          | Fixed Charge (Rs. per kW per month of the connected load / per kVA of sanctioned contract demand (in case supply is on HT) or as indicated | MMC                  |  |
|                                        | aeroponics and cold storage units set up by FPOs                              |                                                                  |                                                                                                                                            |                                                                  | aeroponics and cold storage units set up by FPOs                              |                                                                  |                                                                                                                                            |                      |  |
|                                        | Upto 20 KW                                                                    | 475 / kWh                                                        | Nil                                                                                                                                        | Nil                                                              | Upto 20 KW                                                                    | 475 / kWh                                                        | Nil                                                                                                                                        | Nil                  |  |
|                                        | Above 20 KW                                                                   | 650 / kWh                                                        | Nil                                                                                                                                        | Nil                                                              | Above 20 KW                                                                   | 650 / kWh                                                        | Nil                                                                                                                                        | Nil                  |  |
|                                        | Agro Industries/FPO not covered in the above category: -                      |                                                                  |                                                                                                                                            |                                                                  | Agro Industries/FPO not covered in the above category: -                      |                                                                  |                                                                                                                                            |                      |  |
|                                        | Upto 20 KW                                                                    | 475 / kWh                                                        | Nil                                                                                                                                        | Nil                                                              | Upto 20 KW                                                                    | 475 / kWh                                                        | Nil                                                                                                                                        | Nil                  |  |
|                                        | 20 KW-50 KW                                                                   | As applicable to LT supply consumers                             |                                                                                                                                            |                                                                  | 20 KW-50 KW                                                                   | As applicable to LT supply consumers                             |                                                                                                                                            |                      |  |
|                                        | Above 50 KW                                                                   | As applicable to HT supply consumers                             |                                                                                                                                            |                                                                  | Above 50 KW                                                                   | As applicable to HT supply consumers                             |                                                                                                                                            |                      |  |
| 6                                      | <b>Agriculture Tube-well Supply</b>                                           |                                                                  |                                                                                                                                            |                                                                  | <b>Agriculture Tube-well Supply</b>                                           |                                                                  |                                                                                                                                            |                      |  |
|                                        | Metered: (i) with motor upto 15 BHP                                           | 735/unit                                                         | -                                                                                                                                          | Rs. 180 BHP/ Year                                                | Metered: (i) with motor upto 15 BHP                                           | 748/unit                                                         | -                                                                                                                                          | Rs. 180 BHP/ Year    |  |
|                                        | (ii) with motor above 15 BHP                                                  | 735/unit                                                         | -                                                                                                                                          | Rs. 144 BHP/ Year                                                | (ii) with motor above 15 BHP                                                  | 748/unit                                                         | -                                                                                                                                          | Rs. 144 BHP/ Year    |  |
|                                        | <b>Un-metered (Rs. / Per BHP / Month):</b><br>(i) with motor upto 15 BHP      | Nil                                                              | Rs. 15/BHP/Month                                                                                                                           | Nil                                                              | <b>Un-metered (Rs. / Per BHP / Month):</b><br>(i) with motor upto 15 BHP      | Nil                                                              | Rs. 15/BHP/Month                                                                                                                           | Nil                  |  |
|                                        | (ii) with motor above 15 BHP                                                  | Nil                                                              | Rs. 12/BHP/Month                                                                                                                           | Nil                                                              | (ii) with motor above 15 BHP                                                  | Nil                                                              | Rs. 12/BHP/Month                                                                                                                           | Nil                  |  |
| 7                                      | <b>Public Water Works / Lift Irrigation / MITC / Street Light/EV charging</b> |                                                                  |                                                                                                                                            |                                                                  | <b>Public Water Works / Lift Irrigation / MITC / Street Light/EV charging</b> |                                                                  |                                                                                                                                            |                      |  |
|                                        | Lift Irrigation                                                               | 735/kWh                                                          | Rs. 180.00 (Rs/ kW or BHP/month)                                                                                                           | Nil                                                              | Lift Irrigation                                                               | 735/kWh                                                          | Rs. 180.00 (Rs/ kW or BHP/month)                                                                                                           | Nil                  |  |
|                                        | Street light                                                                  | 735/kWh                                                          | Nil                                                                                                                                        | Rs. 165.00/kW/ month                                             | Street light                                                                  | 735/kWh                                                          | Nil                                                                                                                                        | Rs. 165.00/kW/ month |  |
|                                        | Public Water Works                                                            | 735/kWH                                                          | Rs. 180.00 (Rs/kW)                                                                                                                         | Nil                                                              | Public Water Works                                                            | 735/kWH                                                          | Rs. 180.00 (Rs/kW)                                                                                                                         | Nil                  |  |
|                                        | EV Charging Stations                                                          | CoS-HT                                                           |                                                                                                                                            |                                                                  | EV Charging Stations for supply at HT level                                   | CoS-HT                                                           |                                                                                                                                            |                      |  |
|                                        |                                                                               |                                                                  |                                                                                                                                            |                                                                  | EV Charging Stations for supply at LT level                                   | CoS-LT                                                           |                                                                                                                                            |                      |  |
|                                        |                                                                               |                                                                  |                                                                                                                                            |                                                                  |                                                                               |                                                                  |                                                                                                                                            |                      |  |
| 8                                      | <b>Railway Traction</b>                                                       |                                                                  |                                                                                                                                            |                                                                  | <b>Railway Traction</b>                                                       |                                                                  |                                                                                                                                            |                      |  |
|                                        | Supply at 11 KV                                                               | Merged with HT Supply Tariff at the respective voltage of supply |                                                                                                                                            |                                                                  | Supply at 11 KV                                                               | Merged with HT Supply Tariff at the respective voltage of supply |                                                                                                                                            |                      |  |
|                                        | Supply at 33 KV                                                               |                                                                  |                                                                                                                                            |                                                                  |                                                                               |                                                                  |                                                                                                                                            |                      |  |
|                                        | Supply at 66 or 132 kV                                                        |                                                                  |                                                                                                                                            |                                                                  |                                                                               |                                                                  |                                                                                                                                            |                      |  |
| Supply at 220 kV                       |                                                                               |                                                                  |                                                                                                                                            |                                                                  |                                                                               |                                                                  |                                                                                                                                            |                      |  |
| 9                                      | <b>DMRC</b>                                                                   | Merged with HT Supply Tariff                                     |                                                                                                                                            |                                                                  | <b>DMRC</b>                                                                   | Merged with HT Supply Tariff                                     |                                                                                                                                            |                      |  |
| Supply at 66 kV or 132 kV              |                                                                               |                                                                  |                                                                                                                                            |                                                                  |                                                                               |                                                                  |                                                                                                                                            |                      |  |
| 10                                     | <b>Bulk Supply</b>                                                            |                                                                  |                                                                                                                                            |                                                                  | <b>Bulk Supply</b>                                                            |                                                                  |                                                                                                                                            |                      |  |

| Tariff for 2025-26 (W.E.F. 01.04.2025) |                                                                                     |                                       |                                                                                                                                            |                                                                  | Tariff for 2026-27 (W.E.F. 01.04.2026)                                              |                                         |                                                                                                                                            |     |
|----------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|-----|
| Sr. No.                                | Category of consumers                                                               | Energy Charges (Paisa / kWh or/ kVAh) | Fixed Charge (Rs. per kW per month of the connected load / per kVA of sanctioned contract demand (in case supply is on HT) or as indicated | MMC (Rs. per kW per month of the connected load or part thereof) | Category of consumers                                                               | Energy Charges (Paisa / kWh or/ kVAh) * | Fixed Charge (Rs. per kW per month of the connected load / per kVA of sanctioned contract demand (in case supply is on HT) or as indicated | MMC |
|                                        | Supply at LT                                                                        | 690/kVAh                              | 250/kVA/month<br>h<br>Or<br>250/kW/month<br>h as applicable                                                                                | Nil                                                              | Supply at LT                                                                        | 690/kVAh                                | 250/kVA/month<br>Or<br>250/kW/month as<br>applicable                                                                                       | Nil |
|                                        | Supply at 11 kV                                                                     | 680/kVAh                              |                                                                                                                                            | Nil                                                              | Supply at 11 kV                                                                     | 680/kVAh                                |                                                                                                                                            | Nil |
|                                        | Supply at 33 kV                                                                     | 670/kVAh                              |                                                                                                                                            | Nil                                                              | Supply at 33 kV                                                                     | 670/kVAh                                |                                                                                                                                            | Nil |
|                                        | Supply at 66 or 132 kV                                                              | 660/kVAh                              |                                                                                                                                            | Nil                                                              | Supply at 66 or 132 kV                                                              | 660/kVAh                                |                                                                                                                                            | Nil |
|                                        | Supply at 220 kV                                                                    | 650/kVAh                              |                                                                                                                                            | Nil                                                              | Supply at 220 kV                                                                    | 650/kVAh                                |                                                                                                                                            | Nil |
| 11                                     | Bulk Supply (Domestic)                                                              |                                       |                                                                                                                                            |                                                                  | Bulk Supply (Domestic)                                                              |                                         |                                                                                                                                            |     |
|                                        | For total consumption in a month not exceeding 800 units/ flat/ dwelling unit (DU). | 580/kWh                               | Rs. 150 / kW / month of the recorded demand                                                                                                | Nil                                                              | For total consumption in a month not exceeding 800 units/ flat/ dwelling unit (DU). | 580/kWh                                 | Rs. 150 / kW / month of the recorded demand                                                                                                | Nil |
|                                        | For total consumption in a month exceeding 800 units/ flat/DU.                      | 660/kWh                               | Rs. 150 / kW / month of the recorded demand                                                                                                | Nil                                                              | For total consumption in a month exceeding 800 units/ flat/DU.                      | 660/kWh                                 | Rs. 150 / kW / month of the recorded demand                                                                                                | Nil |

\* Tariff in kVAh and KW shall be applicable by considering power factor of 0.9

#### Notes:

- In case of Arc furnaces/ Steel Rolling Mills for supply at 33 kV and above, the HT Industrial tariff at the corresponding voltage level shall be applicable. The tariff determined in the table above for Arc Furnace taking supply at 11 kV voltage, is inclusive of surcharge. However, the open access consumers bringing in power under Open Access Mechanism shall also pay a surcharge of 30 Paisa/unit.
- Fixed charges for HT supply and Bulk Supply category are in Rs. / kVA of Contract Demand.
- In case of Bulk Supply Consumers (other than Bulk Supply – DS), the fixed charges are in Rs/kW of the connected load where contract demand is not sanctioned and in Rs. /kVA of contract demand where contract demand is sanctioned.
- Advocate's Chamber, shall be levied a single rate (tariff) equivalent to CoS of LT Supply as determined in the present order. There shall be no demand / fixed charges.
- The electricity crematorium shall be levied a concessional tariff of Rs. 2.75 / Unit (kVA or kWh). No demand charges shall be levied.
- The schedule of tariff and charges does not include Electricity Duty, Municipal Tax, Panchayat Tax (being levied as per the notifications issued by the State Government) and FSA as per MYT Regulations in vogue.

7. Tariff for the eligible Gaushalas shall be Rs. 2.0 / kWh subject to payment of subsidy by the State Government.
8. In case the State Government desires to extend concession including subsidy to any consumer category, the same shall be implementable subject to section 65 of the Electricity Act, 2003.
9. In the case of the existing consumers above 50 kW up to 70 kW (LT) that has been merged with HT Supply, the tariff shall be as per HT Supply. In the absence of a compatible meter standard power factor of 0.90 may be used. However, the Discoms shall ensure that a compatible meter of requisite accuracy is installed either by the Discoms or by the consumers themselves. It is clarified that consumer will not have the option to pick and choose. However, such consumers shall be given option either to get the load reduced below 50 KW or convert to HT metering.
10. The tariff for places of worship shall be a single part tariff equivalent to the Domestic Supply tariff(s).
11. The charges, other than energy and demand charges determined in the present order, for NDS category (including Independent Hoarding/Decorative Lightning/ Decorative Lightning and others) merged with HT / LT Supply shall be as per the charges applicable for erstwhile HT / LT Industry.
12. The Temporary Supply Tariff shall remain unchanged i.e. as per the Commission's tariff order for the FY 2021-22.
13. The AP Supply tariff shall be Rs. 7.48 / kWh for metered supply and BHP (The case of flat rate shall be converted to kW and units worked out by applying the average running hours of the tube-wells). However, the State Government may continue with the subsidized tariff provided advance subsidy, in the beginning of each quarter is paid by the State Government to the Discoms, as per Section 65 of the Electricity Act, 2003. The AP Tube-well tariff determined by the Commission u/s 62 of the Electricity Act, 2003 shall be levied by the Discoms in case the Government does not pay subsidy in accordance with the provisions of Section 65 of the Electricity Act, 2003.
14. It is clarified that the acceptance limit of cash will be Rs. 5000 (five thousand). However, the cash collection limit for theft penalty shall be Rs. 2,00,000 (two lakhs); submission of PAN Card shall be mandatory for any transaction exceeding Rs. 50,000 (Fifty Thousand).

It is further made clear that the AEE / SDO concerned shall be fully responsible for cash collected and remittance into the designated bank(s) on the same day.

15. The consumers opting for procuring green energy, shall pay green energy premium of Rs. 0.88 / Unit over and above the normal tariff.
16. NDS consumers having sanctioned load above 50 KW and existing consumers having sanctioned load above 50 KW and up to 70 KW (on LT Supply) have been merged with the HT industrial consumers as “HT Supply”. In the absence of declared contract demand, as well cumbersome process of asking all such consumer to declare their contract demand, it would be appropriate, given the nature of NDS usage, that the sanctioned load of such consumers available with the Discoms, is considered for levy of Fixed Charges.
17. LT supply consumers (having sanctioned load up to 20 KW) shall be billed only on kVAh tariff with the exception of billing in kWh only when the installed meter at consumer premises is not kVAh compliant. However, Discoms shall ensure installation of kVAh meters for such consumers.
18. In line with Regulation 5 of the HERC (Prepaid Smart Metering), Regulations, 2022, there shall be 5% rebate on fixed charge as well as energy charge levied in the electricity bills for consumers availing supply through prepaid smart meters.
19. Agro Industries / FPO includes Pack House, Grading, Packing, Pre-Cooling and Ripening Chamber, Honey Bee, Honey Processing, Tissue culture, Zinga and Fish Farming, Poultry Farm, Pig Farm, Milk Chilling Plant and Cold Storage, Mushroom Farming. Additionally, Mushroom compost & spawn, high-tech hydroponics & aeroponics and cold storage units set up by FPOs, shall also form part of Agro Industries / FPO.
20. Fish farming units connected on AP feeder shall continue to be billed on AP subsidized tariff. However, fish farming on other than AP feeder shall be included in the new Tariff Category i.e. Agro Industries/FPO.

## **ANNEXURE – B**

### **Directives**

The Commission has reviewed the directives issued to the Distribution Licensees in its earlier orders and observes that several directions remain unimplemented. The Commission reiterates that these directives were issued with the objective of improving operational efficiency of the Distribution Licensees, facilitating their financial turnaround and enhancing consumer satisfaction.

**A. Directive Compliance Status of order dated 28.03.2025**

1. The licensee(s) must ensure that consumers are paid interest on their Advance Consumption Deposits duly reflected in their energy bills for the relevant month i.e. bill(s) issued in the month of April / May.

**Reply by UHBVNL:**

UHBVNL submitted vide Memo No. Ch-107/RA/F-173/Vol-(15) dated 03.06.2025: ACD interest for FY 2024-25 has already been affected w.e.f. May 2025.

**Reply by DHBVNL:**

DHBVNL submitted vide Memo No. Ch- 127 /SE/RA-788 dated 13.08.2025 The interest on the Security Deposit has been credited in the consumers account on dated 27.04.2025.

**Commission's Observation:**

**Complied With**

2. In view of the discrepancies in the AP sales figures, the Commission directs that the MD DHBVNL will check the figures of AP sales and input energy and submit a report on running of AP tube wells on non-AP feeders within one month of issue of this order besides reconciliation of figures as per order.

**Reply by DHBVNL.**

Reply provided at directive no 22.

**Commission's Observation.**

**Not complied with**

3. The Commission has noted with the concern that during the FY 2023-24, Haryana Discoms have purchased 7740 Mus short term power at average rate of Rs. 6.79/unit,



aggregating Rs. 5257.54 crore and the same time short term power has also been sold in the power exchange (s) at throw away price. The Commission observes that Power purchase cost constitutes around 85% of the ARR of Discoms. Therefore, the power procurement plans ought to be rigorously monitored so that the cost of delivered power can be reduced. There is a need for restructuring and strengthening of Haryana Power Purchase Centre (HPPC) by deploying adequate staff so that it can work 24x7 basis. Additionally, expert agencies can also be appointed through transparent bidding process. There is a need to continuously monitor the price in power exchange (s), so that timely steps may be taken to trade-off the cheaper power with the costly power. This will help in more accurate and cost-effective power procurement planning. Further, share of cost-effective renewable energy may be increased while addressing the issue of large-scale integration of RE power in the grid, in the total energy mix, to reduce power purchase cost in the interest of the electricity consumers, while ensuring the quality and reliable power. In this regard, an action taken report may be submitted within three months from the date of issue of this order.

**Reply by UHBVNL:**

UHBVNL submitted vide Memo No. Ch-102/RA/F-173/Vol-(15) dated 28.05.2025:

It is submitted that as pointed out by Hon'ble Commission, during FY 2023-24, Short Term Power procured to the extent of 7740 Mus also includes Medium Term power from following three sources: -

| Sr. No. | Generator   | Units in MUs |
|---------|-------------|--------------|
| 1.      | MB Power    | 1090.72      |
| 2.      | JITPL       | 19.83        |
| 3.      | Meja (NTPC) | 32.88        |
| Total   |             | 1143.43      |

Thus, the actual Short-Term power procured is 6597 MUs, which is 9% of total 66375 MUs procured in aggregate from all long term, medium term & short-term sources @ Rs. 5.117/kwh (including all associated charges). Further, out of 6597 Mus procured under short-term, only 1625 MUs were purchased from exchange @ Rs. 6.91/kwh and the rest of the power purchased under short term is through competitive bidding to meet the peak demand of the State during summer months from June to October.

It is further submitted that 1755 MUs were sold in exchange during FY 2023-24 at an average rate of Rs. 4.39/kWh .

It is pertinent to point out that Short-term power arrangements are made to address the anticipated power deficit during the peak load summer/ paddy season. However, real-time power scheduling to meet the demand is based on the actual available power during each of the 96 slots of the day, taking into account all tie-ups. This scheduling is managed across 96 time slots during real-time operation and is strictly followed as per the prevailing Merit Order Despatch (MOD). However, following challenges are to be met while scheduling power on real time basis:

During summer season, windstorms are felt in the State due to which running load is drastically reduced. The above factors result in surplus quantum of about 3500-4000 MW in specific time slots and HPPC is forced to surrender/backdown the generators under Merit Order Dispatch upto Technical Minimum upto approx. 2500-2800 MW. Therefore, any quantum beyond 2800 MW falls under 'must sell' category. To maintain the Grid discipline, HPPC is forced to sell this surplus quantum at the prevailing market price on Power Exchanges.

If surplus power is not sold, same will account for Unscheduled Interchange (UI) resulting in heavy under drawl. The UI is levied as 'imbalance charges' which are linked with grid frequency for each time block of the day. DISCOMs endeavors to restrict themselves to overdraw/under draw within permissible limits from the grid. As per CERC DSM Regulation 2024, it is mandated to maintain over drawl and under drawl within 200 MW beyond which Grid Controller imposes penalty for the said UI as a deterrent measure. To avoid this penalty, Discoms sell off/purchase power in Power Exchange(s) which also act as load balancing instrument to cater to the instantaneous variation of demand during the day in accordance with instantaneous surplus/deficit power.

Since the available power and demand may not match in each time slot during real-time system operation, the schedule must be revised based on the available MOD to ensure grid security. Accordingly, power needs to be ramped up or backed down and purchased/ sold in power exchanges as per system requirements, in line with practices followed nationwide

HPPC is in the process for engaging an agency after following the due process.

At present, Haryana Discoms, after due approval of Hon'ble HERC, have a tied up contracted capacity of 6018.15 MW of RE Power, including Hydro Power, out of 16130.07 MW total tied up capacity which is 37.31 % of total energy mix.

Besides the above, in order to increase the quantum of RE power in energy mix portfolio, HPPC has signed PPA with SJVNL for procurement of 800 MW FDRE power including BESS at the rate of Rs.4.45 per Kwh and has also given consent for procurement of 400 MW FDRE power to NHPC @ 4.44 per Kwh, which will help to integrate cost-effective RE power with conventional sources of energy, thereby reducing power purchase cost. In addition, to ensure quality and reliable power, Ministry of Power has been requested to grant VGF for installation of 600 MW BESS system at their substation.

**Reply by DHBVNL:**

DHBVNL submitted vide Memo No. Ch-74/SE/RA-788 dated 12.06.2025 as under:

It is submitted that as pointed out by Hon'ble Commission, during FY 2023-24, Short Term Power procured to the extent of 7740 Mus also includes Medium Term power from following three sources:

| Sr. No. | Generator   | Units in MU |
|---------|-------------|-------------|
| 1.      | MB Power    | 1,090.72    |
| 2.      | JITPL       | 19.83       |
| 3.      | Meja (NTPC) | 32.88       |
| 4.      | Total       | 1,143.43    |

Thus, the actual Short-Term power procured is 6,597 MUS, which is 9% of total 66,375 MUS procured in aggregate from all long term, medium term & short-term sources @ Rs. 5.117/kwh (including all associated charges). Further, out of 6597 Mus procured under short term, only 1625 MUS were purchased from exchange @ Rs. 6.91/kwh and the rest of the power purchased under short term is through competitive bidding to meet the peak demand of the State during summer months from June to October.

It is further submitted that 1755 MUS were sold in exchange during FY 2023- 24 at an average rate of Rs. 4.39/kWh.

It is pertinent to point out that Short-term power arrangements are made to address the anticipated power deficit during the peak load summer/ paddy season. However, real time scheduling to meet the demand is based on the actual available power during each of the 96 slots of the day, considering all tie-ups. This scheduling is managed across 96 time slots during real-time operation and is strictly followed as per the prevailing Merit Order Despatch (MOD). However, following challenges are to be met while scheduling power on real time basis:

During summer season, windstorms are felt in the State due to which running load is drastically reduced. The above factors result in surplus quantum of about 3500-4000 MW in specific time slots and HPPC is forced to surrender/backdown the generators under Merit Order Dispatch up to Technical Minimum upto approx. 2500- 2800 MW. Therefore, any quantum beyond 2800 MW falls under 'must sell' category. To maintain the Grid discipline, HPPC is forced to sell this surplus quantum at the prevailing market price on Power Exchanges.

If surplus power is not sold, same will account for Unscheduled Interchange (UI) resulting in heavy under drawl. The UI is levied as 'imbalance charges' which are linked with grid frequency for each time block of the day. DISCOMs endeavors to restrict themselves to overdraw/under draw within permissible limits from the grid. As per CERC DSM Regulation 2024, it is mandated to maintain over drawl and under drawl within 200 MW beyond which Grid Controller imposes penalty for the said UI as a deterrent measure. To avoid this penalty, Discoms sell off/purchase power in Power Exchange(s) which also act as load balancing instrument to cater to the instantaneous variation of demand during the day in accordance with instantaneous surplus/deficit power.

Since the available power and demand may not match in each time slot during real-time system operation, the schedule must be revised based on the available MOD to ensure grid security. Accordingly, power needs to be ramped up or backed down and purchased/ sold in power exchanges as per system requirements, in line with practices followed nationwide.

HPPC is in the process for engaging an agency after following the due process.

At present, Haryana Discoms, after due approval of Hon'ble HERC, have a tied up contracted capacity of 6018.15 MW of RE Power, including Hydro Power, out of 16130.07 MW total tied up capacity which is 37.31 % of total energy mix. Besides the above, in order to increase the quantum of RE power in energy mix portfolio, HPPC has signed PPA with SJVNL for procurement of 800 MW FDRE power including BESS at the rate of Rs.4.45 per kWh and has also given consent for procurement of 400 MW FDRE power to NHPC @ 4.44 per kWh, which will help to integrate cost-effective RE power with conventional sources of thereby reducing power energy, purchase cost. In addition, to ensure quality and reliable power, Ministry of Power has been requested to grant VGF for installation of 600 MW BESS system at their substation.

**Commission's Observation:**

**Reply not in line with directive. Commission had directed Discoms to rigorously monitor the power procurement plans so that the cost of delivered power can be reduced. It was also directed to restructure and strengthen Haryana Power Purchase Centre (HPPC) by deploying adequate staff so that it can work 24x7 basis. Additionally, expert agencies can also be appointed through transparent bidding process. There is a need to continuously monitor the price in power exchange (s), so that timely steps may be taken to trade-off the cheaper power with the costly power. In this regard, an action taken report was supposed to be submitted by discoms within three months from the date of issue of order, i.e. 28.03.2025.**

4. Discoms have not complied with the energy storage target of 767 Mus determined for the FY 2024-25. The Commission has determined energy storage target of 1068 Mus for the FY 2025-26. Ministry of Power, Government of India, has issued operational guidelines to offer viability gap funding (VGF) of up to 40 per cent to facilitate the development of battery energy storage systems (BESS) capacity nationwide. Discoms need to take timely action to avail the opportunity and submit a concrete action plan to deploy at least 200 MWh (100 MWh each Discom) of BESS within the FY 2025-26, at its sub-stations, within three months from the date of issue of this order.

**Reply by UHBVNL:**

UHBVNL submitted vide Memo No. Ch-102/RA/F-173/Vol-(15) dated 28.05.2025:

- Viability Gap Funding (VGF) of Rs. 27 Lakh/MWh or 30% of the capital cost,

whichever is lower, for setting up of aggregate 20 MWh BESS project at 4 nos. 33 kV sub-stations (i.e. two nos. each under UHBVNL & DHBVNL) has been granted by MoP, GoI on 09.04.2025. The details are as under:

- UHBVNL: 10 MWh (i.e. 2.5 MW / 5 MWh each at two nos. 33 kV sub-stations)
- DHBVNL: 10 MWh (i.e. 2.5 MW / 5 MWh each at two nos. 33 kV sub-stations)

Standard Bidding Document for engagement of agency for setting up of 4 no. BESS in the jurisdiction of UHBVN & DHBVN on Design, Build, Own Operate & Transfer (DBOOT) model is under process/approval in DHBVN.

- MoP, GoI vide email dated 28.03.2025 has further proposed Viability Gap Funding (VGF) for development of BESS supported through Power System Development Fund. Viability Gap Funding (VGF) amount of Rs. 18 Lakh/MWh is proposed under the scheme by MoP, GoI. With this VGF, the Levelized Cost of Storage (LCoS) for 4 Hrs., single cycle BESS is expected to be approx. Rs. 4.75/KWh.

MoP/GoI has already been requested to grant Viability Gap Funding to the State of Haryana for the establishment of a total capacity of 600 MWh of BESS against the target of 500 MWh on dated 18.04.2025. The grant of Viability Gap Funding (VGF) to the State of Haryana is still awaited. It has been decided that the optimal location for the installation of ibid 600 MWh BESS alongwith technical feasibility will be identified jointly by the senior officers of HPU.

**Reply by DHBVNL:**

DHBVNL submitted vide Memo No. Ch- /SE/RA-788 dated 13.08.2025

The BESS projects in the State of Haryana is being executed in two phases, details of which is as under: -

**Phase-I**

Under Phase-I, Ministry of Power, Govt. Of India on 09.04.2025 approved the request of DISCOMs for grant of VGF for setting up of 20 MWh BESS projects. Under this allocation, there is provision of VGF of Rs. 27 Lakh / MWh or of the capital cost, whichever is lower. The tender document is under finalization and the NIT for selection of agency for installation of BESS projects (to be installed at 4 no. location at existing 33 kV substations) is likely to be floated by the end of July, 2025.

## **Phase-II**

The Ministry of Power (MoP), Government of India, vide notification dated 28<sup>th</sup> March 2025 announced the launch of another Viability Gap Funding (VGF) Scheme for BESS. In response to this initiative, vide letter dated 18<sup>th</sup> April 2025, DISCOMs submitted a proposal to the Ministry of Power requesting allocation of VGF for setting up 600 MWh of Grid-Interactive BESS in the State of Haryana, MoP, vide its letter dated 9 June 2025, allocated 500 MWh of BESS capacity with financial support under the VGF scheme at the rate of Rs. 18 lakh/MWh, to be disbursed from the Power System Development Fund (PSDF).

At State level, this capacity has been equally distributed between both the DISCOMs i.e. DHBVNL and UHBVNL, with 250 MWh each.

At present, DHBVN is in the process of finalization of lands for ibid BESS projects and also getting proposals from BESS Implementing Agency (BIA), upon finalization of the same, the tendering process for the implementation of its 250 MWh allocated BESS capacity shall be initiated.

The objective is to complete the installation and commissioning of the above said BESS projects within the current financial year.

### **Commission's Observation:**

#### **UHBVNL and DHBVNL**

**Reply not in line with directive.**

**Ministry of Power, GoI, has issued operational guidelines to offer viability gap funding (VGF) to facilitate the development of battery energy storage systems (BESS) capacity nationwide.**

**In this regard, Discoms were directed to avail the opportunity and submit a concrete action plan to deploy at least 200 MWh (100 MWh each Discom) of BESS within the FY 2025-26, at its sub-stations, within three months from the date of issue of this order.**

**In order to attract investment in Haryana, Discoms may also explore the possibility of inviting proposals under section 62 of the EA 2003, not only in BESS but also in other Renewable energy procurements, which assures cost plus return to the investors.**

5. The Commission observes that there is an average gap of 3000 MW on maximum and minimum demand being met on each day. Further, during winters demand remains in the maximum-minimum bracket of 7000 MW to 4000 MW and during summers it remains in the bracket of 14000 MW to 10000 MW. In order to meet this fluctuating demand, Discoms have tied up power purchase capacity of around 15900 MW. The Discoms have not resorted to adopt adequate DSM measures to flatten its demand curve including shifting of AP load to off-peak load hours of the day. In this regard, Discoms are directed to submit a concrete action plan to flatten its demand curve, within three months from the date of this order.

**Reply by UHBVNL:**

UHBVNL submitted vide Memo No. Ch-119/RA/F-173/Vol-(15) dated 16.06.2025:

It is submitted that in compliance to the directions of the Hon'ble Commission regarding shifting of AP load to off-peak load hours of the day, a committee has been constituted for submitting a comprehensive report of the following officers: -

- Director/OP, DHBVN
- Chief Engineer/OP, UHBVN
- Superintending Engineer/SO, UHBVN
- Superintending Engineer/SO, DHBVN

After finalizing the report, the same shall be apprised to the Hon'ble Commission.

**Reply by DHBVNL:**

DHBVNL submitted vide memo No. Ch-190/SE/RA-788 dated 24.12.2025

In compliance with the Hon'ble Commission's directives dated 28.03.2025, the Discoms have deliberated upon the adoption of appropriate Demand Side Management (DSM) measures with a view to flattening the demand curve, particularly through the shifting of Agricultural (AP) load to off-peak/solar hours.

A joint meeting of the members constituted in this matter was held, and the record notes of the discussions have been compiled for reference. The State's peak demand touched 14,662 MW in July 2024 and is forecasted to reach around 15,500 MW in FY 2025-26. Against this, the internal generation is about 3,500 MW (excluding FGPP), and with the existing ATC/TTC limits of 10,000/10,300 MW, nearly 12,000 MW of power will need to be arranged from outside the State. Additionally, AP load is projected to



rise by ~900 MW (due to new AP connections and VDS scheme), while non-AP categories are expected to grow by another ~800 MW. The above deliberations brought out both the opportunities and the system constraints currently faced, and it is respectfully submitted that a structured action plan is being developed with short-term, medium-term, and long-term measures as outlined below:

#### Short-Term

- Optimize grouping of AP feeders to maximize daytime/solar utilization where technically feasible.
- Single-group AP supply at 142 substations operating.
- Coordinate with HVPNL for interim transmission enhancements within current ATC/TTC margins.
- Initiate farmer awareness campaigns on the benefits of daytime supply and voluntary load shifting.

#### Medium-Term

- Augment/Strengthen 150 substations (by FY 2029) and transmission/distribution capacity in identified bottleneck areas to enable larger AP load migration to daytime/solar hours.
- Scale up feeder automation and demand response projects.
- Progressively align AP supply with the State's growing solar capacity (~1,600 MW in FY 2024-25, up from ~1,200 MW in FY 2023-24).
- Integrate load-shifting targets into procurement planning to flatten the curve.

#### Long-Term

- Upgrade ATC/TTC limits beyond the existing 10,000/10,300 MW to ensure adequate headroom for peak + AP demand.
- Transition towards universal daytime AP supply aligned with renewable generation.
- Deploy advanced DSM tools such as time-of-day tariffs, smart metering, an automated demand response.
- Integrate storage solutions to balance renewable variability and sustain flattened demand curves.

The Discoms are committed to implementing these measures in a phased manner—short-term and operational adjustments, medium-term system augmentation, and

long-term structural reforms. A detailed plan with quantitative targets and timelines is under preparation for submission before the Hon'ble Commission

**Commission's Observation:**

**Not complied with, Nigam was directed to submit a concrete action plan to flatten its demand curve, within three months from the date of this order.**

6. The Discoms are directed to assess their power demand /supply position as well as the prevailing market conditions in the power exchanges / bilateral sources and then only take an informed decision of allowing power generating station(s) to be simultaneously taken out for planned maintenance.

In this regard, Discoms are directed to submit the schedule of maintenance allowed to the generators, with which it has long term power purchase agreements, for the control period from FY 2025-26 to FY 2029-30.

**Reply by UHBVNL:**

UHBVNL submitted vide Memo No. Ch-102/RA/F-173/Vol-(15) dated 28.05.2025:

HPPC allows generators their annual plant maintenance on yearly basis after due consideration of power availability scenario therefore all the Intra State Generators plan shut down during lean season/winter months.

Further, for better annual plant maintenance scheduling, HPPC has asked all the generators under long term and medium term PPA to provide their maintenance schedule for the control period FY 2025-26 to FY 2029-30. On the basis of the information received from the generators, a comprehensive maintenance schedule for the control period FY 2025-26 to FY 2029-30 will be finalized for the better demand-availability management.

**Reply by DHBVNL:**

DHBVNL submitted vide Memo No. Ch-74/SE/RA-788 dated 12.06.2025:

HPPC allows generators their annual plant maintenance on yearly basis after due consideration of power availability scenario, therefore all the Intra State Generators plan shut down during lean season/winter months.

Further, for better annual plant maintenance scheduling, HPPC has asked all the generators under long term and medium term PPA to provide their maintenance schedule for the control period FY 2025-26 to FY 2029-30. On the basis of the

information received from the generators, a comprehensive maintenance schedule for the control period FY 2025-26 to FY 2029-30 will be finalized for the better demand-availability management.

**Commission's Observation:**

**Partially complied with. Nigam has not yet submitted the schedule of maintenance allowed to the generators, with which it has long term power purchase agreements, for the control period from FY 2025-26 to FY 2029-30.**

7. The Commission observes that total receivables of UHBVNL and DHBVNL, after provisioning, are reflected in the financial statements as on 31.03.2024 as Rs. 2059 crore and Rs. 4311 crores, respectively (Total: Rs. 6370 crore), as against the comparative figures as on 31.03.2023 as Rs. 583 crore and Rs. 2909 crore, respectively (Total: Rs. 3493 crore). Thus, trade receivables, has increased by an amount of Rs. 2877 crore during the FY 2023-24. These figures are over and above the receivables out of provision created for deferred recovery of FSA, amounting to Rs. 8245 crores. The receivable allowed as part of working capital in the regulatory regime is approximately Rs. 1500 crore, for each Discom. It shows that the receivables management and accounting of both the Discoms, needs a complete revamp.

In this regard, Discoms are directed to exercise prudence in receivables management and ensure that outstanding from connected consumers, except the amount involved in court cases, does not exceeds its available ACD, at any point of time. Discoms are further directed to submit age-wise and consumer category-wise details of amount outstanding from consumers, except the amount involved in court cases, within three months from the date of this order. Further, a complete recovery plan of its receivables, may be submitted by both the Discoms, within three months from the date of this order.

**Reply by UHBVNL:**

UHBVNL submitted vide Memo No. Ch-128/RA/F-173/Vol-(15) dated 04.08.2025:

In this context, it is submitted that sundry debtors of UHBVN as per financial statements of FY 2023-24 was Rs. 2059.13 Cr. out of this amount of Rs. 436.17 & Rs. 27.80Cr. are pertaining to Unbilled receivables and Interstate receivable respectively. Therefore, the remaining amount of Rs.1597.16 Cr. are pertaining to the connected

and disconnected debtors which also includes liabilities i.e. ED, M Tax and P. Tax. In view of the above, UHBVN is nearby to the allowed working capital.

The detail of receivables in respect of UHBVN is tabulated as under: -

| Circle             | Defaulter more than 1 year |                          | Defaulter more than 2 billing Cys and less than 1 year |                          | Total Count     | Total Closing Balance (in Rs.) |
|--------------------|----------------------------|--------------------------|--------------------------------------------------------|--------------------------|-----------------|--------------------------------|
|                    | Count                      | Closing Balance (in Rs.) | Count                                                  | Closing Balance (in Rs.) |                 |                                |
| Ambala             | 24,211                     | 66,55,66,724.69          | 22,837                                                 | 21,09,43,195.08          | 47,048          | 87,65,09,919.77                |
| Jhajjar            | 13,784                     | 61,28,67,505.02          | 16,252                                                 | 20,11,25,934.01          | 30,036          | 81,39,93,439.03                |
| Kaithal            | 19,201                     | 42,02,97,896.57          | 39,020                                                 | 17,03,60,469.86          | 58,221          | 59,06,58,366.43                |
| Karnal             | 30,039                     | 39,10,41,035.24          | 45,542                                                 | 16,17,53,633.89          | 75,581          | 55,27,94,669.13                |
| Kurukshetra        | 11,434                     | 15,76,95,346.29          | 30605                                                  | 12,78,45,650.74          | 42,039          | 28,55,40,997.03                |
| Panchkula          | 5,139                      | 13,36,95,509.52          | 6,982                                                  | 3,64,47,375.25           | 12,121          | 17,01,42,884.77                |
| Panipat            | 27,772                     | 91,23,22,264.39          | 22,060                                                 | 19,06,78,922.85          | 49,832          | 1,10,30,01,187.24              |
| Rohtak             | 23,058                     | 2,30,85,24,909.80        | 16,314                                                 | 36,86,49,386.94          | 39,372          | 2,67,71,74,296.74              |
| Sonepat            | 36,465                     | 1,45,20,66,820.93        | 33,729                                                 | 35,06,36,302.16          | 70,194          | 1,80,27,03,123.09              |
| Y.Nagar            | 61,258                     | 1,75,93,47,646.92        | 39,322                                                 | 45,63,85,746.77          | 1,00,580        | 2,21,57,33,393.69              |
| <b>Grand Total</b> | <b>2,52,361</b>            | <b>8,81,34,25,659.37</b> | <b>2,72,663</b>                                        | <b>2,27,48,26,617.55</b> | <b>5,25,024</b> | <b>11,08,82,52,276.92</b>      |

Further, the detail of Court Case defaulters is as under: -

| Detail of Category wise Court Case Defaulters |              |                   |                      |
|-----------------------------------------------|--------------|-------------------|----------------------|
| Sr. No.                                       | Category     | No. of Court case | Amount (In Rs.)      |
| 1                                             | DS           | 2340              | 276615329.80         |
| 2                                             | Non-Consumer | 167               | 19131580.57          |
| 3                                             | AGRI         | 16                | 2825549.47           |
| 4                                             | AGRO         | 5                 | 2004335.94           |
| 5                                             | AP           | 61                | 10408170.31          |
| 6                                             | BS           | 9                 | 147542029.70         |
| 7                                             | NDS          | 732               | 346105806.10         |
| 8                                             | HT           | 132               | 3871334611           |
| 9                                             | LT           | 309               | 377482905.50         |
| 10                                            | PDCO         | 3                 | 1317349.00           |
| 11                                            | SL           | 1                 | 199222.00            |
| 12                                            | Theft        | 3                 | 99936.00             |
| <b>Total</b>                                  |              | <b>3778</b>       | <b>5055066825.39</b> |

It is further submitted that the Nigam is actively pursuing a structured and time-bound recovery plan to address the defaulting amount as declared on 31st March 2025. The Nigam has set a firm target to recover the entire outstanding amount in a phased

manner, and various initiatives have been undertaken to ensure timely and effective implementation.

Targets have been assigned to field officers, and a mechanism for daily monitoring at the management level has been established to ensure accountability and progress tracking.

Circle wise targets have been fixed for recovery as detailed below: -

| Sr<br>N<br>o. | Name of Circle | Defaulting<br>Amount | Month wise target for recovery of defaulting amount (in Cr.) |                      |               |               |
|---------------|----------------|----------------------|--------------------------------------------------------------|----------------------|---------------|---------------|
|               |                |                      | May (Target)                                                 | May<br>(achievement) | June          | July          |
| 1             | Panchkula      | 19.03                | 3.54                                                         | 12.26                | 7.07          | 8.42          |
| 2             | Ambala         | 38.70                | 7.19                                                         | 9.37                 | 14.38         | 17.13         |
| 3             | Yamuna Nagar   | 122.57               | 22.78                                                        | 12.58                | 45.55         | 54.24         |
| 4             | Kurukshetra    | 25.72                | 4.78                                                         | 11.06                | 9.56          | 11.38         |
| 5             | Kaithal        | 47.31                | 8.79                                                         | 22.22                | 17.58         | 20.94         |
|               | <b>Zone 1</b>  | <b>253.33</b>        | <b>47.08</b>                                                 | <b>67.49</b>         | <b>94.15</b>  | <b>112.10</b> |
| 6             | Karnal         | 33.99                | 6.32                                                         | 15.22                | 12.63         | 15.04         |
| 7             | Panipat        | 75.96                | 14.12                                                        | 11.84                | 28.23         | 33.61         |
| 8             | Sonepat        | 67.90                | 12.62                                                        | 20.92                | 25.24         | 30.05         |
| 9             | Rohtak         | 59.75                | 11.10                                                        | 11.55                | 22.21         | 26.44         |
| 10            | Jhajjar        | 47.20                | 8.77                                                         | 13.91                | 17.54         | 20.89         |
|               | <b>Zone 2</b>  | <b>284.80</b>        | <b>52.92</b>                                                 | <b>73.44</b>         | <b>105.85</b> | <b>126.03</b> |
|               | <b>Total</b>   | <b>538.13</b>        | <b>100.00</b>                                                | <b>140.93</b>        | <b>200.00</b> | <b>238.13</b> |

Nigam is working actively to comply with the directives of the Hon'ble Commission and assures that all necessary measures are being taken to ensure that the recovery plan is implemented in a time-bound and effective manner.

Surcharge Waiver Scheme-2025 has also been launched by the Nigam for recovery of defaulting amount from all category consumers.

#### Reply by DHBVNL:

DHBVNL submitted vide Memo No. Ch- /SE/RA-788 dated 13.08.2025

In this connection it is submitted that during FY 2023-24 receivable are reconciled with billing software data and it is learnt that receivable of SOP was understated and other elements like Surcharge, FSA were overstated in the books of account, as compare to billing software. Thus, necessary adjustment entries have been passed in FY 2023-24, the detailed disclosure in this regard has been given at Sr. No. 1.81 in the books of accounts has been annexed with the filing. Age wise and category consumer wise detail of receivables as on 31.03.2024 has been annexed with the filing.

#### Commission's Observation:

## UHBVNL

**Partially complied with. No rationale justification for the increase and status of recovery as the recovery plan, is only till July 2025.**

## DHBVNL

**Partially complied with. No rationale justification for the increase provided along with a complete recovery plan, which was supposed to be submitted within three months from the date of order.**

8. The Commission observes that total inventories of UHBVNL and DHBVNL, after provisioning, are reflected in the financial statements as on 31.03.2024 as Rs. 737 crore and Rs. 671 crore, respectively (Total: Rs. 1408 crore), as against the comparative figures as on 31.03.2023 as Rs. 665 crore and Rs. 601 crores, respectively (Total: Rs. 1266 crore). The inventory of stores & spares, allowed as part of working capital in the regulatory regime is approximately Rs. 125 crores, for each Discom

In this regard, Discoms are directed to optimize inventory of for spares and other maintenance equipment etc. and restrict itself in piling up of inventory. Discoms are further advised to take necessary measure and conduct regular stock verification of its inventories.

### Reply by UHBVNL:

UHBVNL submitted vide Memo No. Ch-136/RA/F-173/Vol-(15) dated 09.10.2025:

In this regard, it is submitted that the inventory being used in the Nigam is utilized for both kind of works i.e., Capital works as well as Maintenance works. Same material is drawn by the field team as per the requirement for both Capital and Revenue works. However, further distinction in the utilization of material for maintenance work only as per the expenditure booked during the past years, the bifurcation of the two is tabulated as below: -

| Year    | Capex<br>(In Cr.) | Repair & Maintenance<br>(Code-74.108, 74.109,<br>74.502, 74.503, 74.505,<br>74.506 & 74.801 (A)<br>(In Cr.) | Total value of<br>material issued from<br>stores from 01.04.22<br>to 31.03.2025 (B)<br>(In Cr.) | Capex of UHBVN<br>Part of Inventory<br>as available in<br>stores (C=B-A)<br>(In Cr.) |
|---------|-------------------|-------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| 2022-23 | 743.82            | 71.61                                                                                                       | 608.83                                                                                          | 537.22                                                                               |
| 2023-24 | 834.47            | 83.12                                                                                                       | 767.17                                                                                          | 684.05                                                                               |
| 2024-25 | 1586.51           | 85.97                                                                                                       | 1052.65                                                                                         | 966.68                                                                               |

Furthermore, the inventory of stores and spares allowed as a part of working capital is approx. Rs. 125 Cr. for each Discom. In this regard, UHBVN is already taking care of HERC norms i.e., Nigam has used inventory of stores and spares as a part of working capital amounting to Rs. 71.61 Cr. for FY 2022-23, Rs. 83.12 Cr. for FY 2023-24 and Rs. 85.97 Cr. for FY 2024-25 which is well within the permissible limit.

Further, a stock verifier has been posted to conduct regular stock verification in UHBVN.

**Reply by DHBVNL:**

DHBVNL submitted vide Memo No. Ch- 127/SE/RA-788 dated 13.08.2025. Taken note of the directives. In this regard, it is submitted that the material is being procured by the MM wing of DHBVN strictly as per the requirements received from the field offices, to ensure the timely availability of essential items for operational and maintenance activities.

However, the material procurement process is time-consuming. It involves several stages: pre- order inspection, issuance of Dispatch Instructions (D. Is), and receipt in stores. After receipt, post-receipt inspections are conducted, and samples sealed by the PRI team are further sent to NABL Labs. Upon receipt of the lab reports, further action is taken for the issuance of material to field offices.

Given this extensive process, maintaining a minimum stock availability of 6 months' worth of material is necessary to account for the considerable lead time involved from procurement to subsequent issuance of material to field offices.

Further, it is informed that stock verifications are being conducted on a regular basis by officers of the Store organization.

**Commission's Observation:**

**UHBVNL:**

**Complied with.**

**DHBVNL:**

**Partially Complied with. Nigam to take necessary measure and optimize inventory of spares and other maintenance equipment.**

9. The Commission has taken note of the submissions of HVPNL that transformers worth Rs. 117.73 crore and substations worth Rs. 454.50 crore, have remained less than 20% utilised, due to non-connection of load by Discoms.

In this regard, Discoms are directed to be careful in planning of infrastructure expansion. Further, a proposal to optimally utilise existing infrastructure may be submitted within three months from the date of this order.

**Reply by UHBVNL:**

UHBVNL submitted vide Memo No. Ch-102/RA/F-173/Vol-(15) dated 28.05.2025:

Discoms are planning the development of distribution infrastructure following thorough deliberations in inter-utility meetings at the circle level. These discussions are then further evaluated in inter-utility meetings at the head office level before finalizing the infrastructure creation at UHBVN and HVPNL. The status of loading conditions, along with proposals for the respective substations and transformers, along with their justification, in respect of UHBVN has been annexed with the filing.

**Reply by DHBVNL:**

DHBVNL submitted vide Memo No. Ch- 127 /SE/RA-788 dated 13.08.2025

The direction of the Hon'ble Commission has been noted and further action shall be taken as per the requirement. Further, a proposal to optimally utilize existing infrastructure has been annexed with the filing.

**Commission's Observation:**

**Partial complied with. Under-utilized substations (less than 20%) with certain remarks have been shared by Nigam with no concrete plan.**

10. The Commission has perused the data regarding feeder level losses for the FY 2023-24. It is observed that urban feeders exceeding 25% losses and rural feeders exceeding 50% losses are 16 and 302, respectively, for both the discoms. In this regard, in order to rein in the efficiency, the Commission directs the DISCOMs to reduce AT&C losses of all urban feeders below 20% and that of Rural feeders below 40% in FY 2025-26 and to submit the Status Report after 3 months of the order.

**Reply by UHBVNL:**

UHBVNL submitted vide Memo No. Ch-119/RA/F-173/Vol-(15) dated 16.06.2025:

The status of Loss Reduction in respect of Urban & RDS feeders is tabulated as under:



| <b>RDS Feeders</b>                              | <b>FY 2023-24</b> | <b>FY 2024-25</b> |
|-------------------------------------------------|-------------------|-------------------|
| Total number of RDS feeders                     | 1127              | 1148              |
| Total no. of RDS Feeder having losses above 40% | 80                | 65                |
| Feeder having losses above 40% (in % age)       | 7.10%             | 5.66%             |

| <b>Urban Feeders</b>                              | <b>FY 2023-24</b> | <b>FY 2024-25</b> |
|---------------------------------------------------|-------------------|-------------------|
| Total number of Urban feeders                     | 925               | 966               |
| Total no. of Urban Feeder having losses above 20% | 0                 | 1                 |
| Feeder having losses above 20% (in % age)         | 0.00%             | 0.10%             |

UHBVN has successfully reduced the number of RDS feeders recording more than 40% losses from FY 2023–24 to FY 2024–25. The Nigam is making continuous and focused efforts to bring down the high loss levels of RDS feeders.

Now, RDS feeders having losses more than 40% are mostly Non-MGJG feeders. Nigam is making all efforts to bring these feeders under the ambit of MGJG Scheme. A Scheme under this regard is also under consideration.

1 No. Urban feeder, where losses are above 20%, directions have been passed to concerned officers for increasing the vigilance activities for reducing the losses below 20%.

#### **Reply by DHBVNL:**

DHBVNL submitted vide Memo No. Ch-74/SE/RA-788 dated 12.06.2025

As on 31.03.2025, out of total 1107 Urban feeders there are 14 nos. (1.26%) Urban feeders having loss more than 25 % whereas in Rural category there are 221 nos. (17.95%) RDS feeders having loss more than out of a total of 1231 Rural feeders. The percentage of feeder having higher loss has decreased from 1.52% to 1.26% in Urban and 20.07% to 17.95% in Rural areas.

Furthermore, DHBVN vide Memo No Ch-385/EA-46/T-VII dated 11.04.2025 has already requested to all SEs/OP to make out all efforts to reduce losses of Urban and Rural feeders below 20% and 40 % respectively during FY 2025-26.

#### **Commission's Observation:**

##### **Partially Complied**

11. The Commission again directs the licensees to bring down the distribution transformer damage rate below the prescribed limits in FY 2025-26. Any slippage on account of the timeline shall lead to penalty as deemed fit and appropriate by the Commission as per various provisions of the Act and Regulations framed thereunder. The Discoms are

again directed to ensure that quarterly reports be submitted regularly without fail and to host the circle wise information of failure of the distribution transformers in rural and urban category on its website regularly without fail.

**Reply by UHBVNL:**

UHBVNL submitted vide Memo No. Ch-119/RA/F-173/Vol-(15) dated 16.06.2025:

The Distribution Transformers damage rate (Urban and Rural) for FY 2024-25 has been annexed with the filing

As per the directions, the failure rate of distribution transformers has been hosted on the Nigam's website (Screenshot has been annexed with the filing).

The agenda of damage rate of distribution transformers for both urban and rural area is being regularly put up before BoDs/WTDs of UHBVN. The Nigam is monitoring the damage rate regularly and efforts are being made to bring down the damage rate below the prescribed limits.

**Reply by DHBVNL:**

DHBVNL submitted vide Memo No. Ch- 127 /SE/RA-788 dated 13.08.2025

Distribution Transformer damage rate (excluding DT's under warranty period) in FY 2024-25 in respect of DHBVN is 5.70% in rural area and 2.81% in urban area, which are below the limit prescribed by the Hon'ble Commission's. The status of Distribution Transformer damage rate for FY-2024-25 is has been annexed with the filing.

The Hon'ble Commission's direction has been conveyed to all SE's operations to bring down the damage rate within prescribed limits in FY 2025-26.

Further, the circle wise data of failure of Distribution Transformer has been regularly hosted on Nigam web site. (Copy of screen shot has been annexed with the filing)

**Commission's Observation:**

**UHBVNL: Not Complied With**

**DHBVNL: Complied With**

12. Discoms are directed to clear the backlog of defective metering and to ensure that at no point of time the percentage of defective meters exceeds 2% limit as per SOP regulations in vogue.

**Reply by UHBVNL**

UHBVNL submitted vide Memo No. Ch-99/RA/F-173/Vol-(15) dated 21.05.2025:

In this regard, the following is submitted: -

- The status of defective meters is being reviewed at various levels regularly.
- The %age of defective meters in UHBVN is within permissible limit of 2% & the status of %age defective meters in UHBVN is as under: -

| Sr. No. | Month (Ending) | Defective Meters (%) |
|---------|----------------|----------------------|
| 1       | Mar-23         | 0.88                 |
| 2       | Mar-24         | 0.64                 |
| 3       | Mar-25         | 0.55                 |

#### **Reply by DHBVNL**

DHBVNL submitted vide Memo No. Ch- 127/SE/RA-788 dated 13.08.2025

In this regard, the following is submitted: -

- The status of defective meters is being reviewed at various levels regularly.
- DHBVNL has made significant progress in reducing defective meters. The percentage has decreased from 2.37% in April,2023 to 1.54% in April, 2025 and is now within the prescribed limit of 2%. The status of defective meters in DHBVN is as under:

| Sr. no. | Month (Ending) | Defective meters (%) |
|---------|----------------|----------------------|
| 1       | April-23       | 2.37%                |
| 2       | April-24       | 2.07%                |
| 3       | April-25       | 1.54%                |

- Further, the directions of Hon'ble Commission have been conveyed to field offices for strict compliance regarding clearance of the backlog of defective meters and ensuring that the percentage of defective meters does not exceed the 2% limit as per SOP regulations.

In this regard, the following is submitted: -

- The directive issued has been conveyed to field offices for strict compliance.
- The provision to identify the overdue complaints in CM tool has already been implemented & the MIS of pending complaints can be generated/extracted from tool directly by all field offices.
- The status of pending consumer's complaints & exceptions is being reviewed at various levels.

Also, all officials under the CBO wing have been already directed to strictly comply the timelines i.e. two days to redress the consumer grievances.

#### **Commission's Observation.**

#### **Complied With**

13. The Commission directs DISCOMs especially DHBVNL to replace all electromechanical meters shown pending for replacement and submit compliance report with defective meters in 3 months from date of this order.

**Reply by UHBVNL:**

UHBVNL submitted vide Memo No. Ch-121/RA/F-173/Vol-(15) dated 18.06.2025:

The directions have been issued to the field offices to replace all Single phase and Three phase Mechanical/ Electromechanical meters within the timelines prescribed by Hon'ble HERC.

The status of single phase & three phase Mechanical/Electro-mechanical meters as on 31.05.2025 is as under: -

| Sr<br>N<br>o         | Name of<br>circle | Number of Mechanical/<br>Electromechanical meters<br>pending for replacement as on<br>31.03.2025 |             | Progress of<br>replacement from<br>01.04.2025 to<br>31.05.2025 |                | Number of Mechanical/<br>Electromechanical meters<br>pending for replacement as<br>on 31.05.2025 |                |
|----------------------|-------------------|--------------------------------------------------------------------------------------------------|-------------|----------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------|----------------|
|                      |                   | Single phase                                                                                     | Three phase | Single<br>phase                                                | Three<br>phase | Single phase                                                                                     | Three<br>phase |
| 1                    | Ambala            | 0                                                                                                | 0           | 0                                                              | 0              | 0                                                                                                | 0              |
| 2                    | Panchkula         | 0                                                                                                | 0           | 0                                                              | 0              | 0                                                                                                | 0              |
| 3                    | Y/Nagar           | 0                                                                                                | 0           | 0                                                              | 0              | 0                                                                                                | 0              |
| 4                    | Kurukshetra       | 0                                                                                                | 0           | 0                                                              | 0              | 0                                                                                                | 0              |
| 5                    | Kaithal           | 0                                                                                                | 0           | 0                                                              | 0              | 0                                                                                                | 0              |
| 6                    | Karnal            | 0                                                                                                | 0           | 0                                                              | 0              | 0                                                                                                | 0              |
| 7                    | Panipat           | 0                                                                                                | 0           | 0                                                              | 0              | 0                                                                                                | 0              |
| 8                    | Sonepat           | 6914                                                                                             | 0           | 80                                                             | 0              | 6834                                                                                             | 0              |
| 9                    | Rohtak            | 53                                                                                               | 0           | 22                                                             | 0              | 31                                                                                               | 0              |
| 10                   | Jhajjar           | 212                                                                                              | 0           | 69                                                             | 0              | 143                                                                                              | 0              |
| <b>Total (UHBVN)</b> |                   | <b>7179</b>                                                                                      | <b>0</b>    | <b>171</b>                                                     | <b>0</b>       | <b>7008</b>                                                                                      | <b>0</b>       |

It is submitted that there is no pendency of replacement of three phase Mechanical/Electromechanical meters in UHBVN.

**Reply by DHBVNL**

DHBVNL submitted vide Memo No. Ch-127/SE/RA-788 dated 13.08.2025:

Status of electromechanical meters ending 03/2024 & 03/2025 is as under

| Meter<br>Category | No. of electromechanical meters as on 31.03.2024 |          |              |              |
|-------------------|--------------------------------------------------|----------|--------------|--------------|
|                   | Rural                                            | Urban    | AP           | Total        |
| 1 PH meters       | 32722                                            | 0        | 0            | 32722        |
| 2 PH meters       | 0                                                | 0        | 29334        | 29334        |
| <b>Total</b>      | <b>32722</b>                                     | <b>0</b> | <b>29334</b> | <b>62056</b> |

| Meter Category | No. of electromechanical meters as on 31.03.2025 |          |              |              |
|----------------|--------------------------------------------------|----------|--------------|--------------|
|                | Rural                                            | Urban    | AP           | Total        |
| 1 PH meters    | 25704                                            | 0        | 0            | 24704        |
| 2 PH meters    | 0                                                | 0        | 29048        | 29048        |
| <b>Total</b>   | <b>25704</b>                                     | <b>0</b> | <b>29048</b> | <b>54752</b> |

The maximum number of electromechanical meters are pending in such rural areas where work of MGJG scheme could not be completed due to public hindrance. All efforts are being made to complete MGJG schemes in the remaining rural areas. As and when MGJG work will be completed, all electromechanical meters will be replaced with electronic meters except AP.

**Commission Observation:**

**Not Complied (Very Slow / Negligible progress)**

14. The Discoms are directed to make all out efforts to release all pending connections within the time frame as specified in various law/regulations in-vogue and submit a status report regarding release of Non-AP connections/loads, within three months from the date of this order.

**Reply by UHBVNL:**

UHBVNL submitted vide Memo No. Ch-121/RA/F-173/Vol-(15) dated 18.06.2025:

In this regard, the status of pending Non-AP connections has been annexed with the filing and summarized as under: -

- (a) As per SOP Regulations, prescribed timeline is 37 working days for LT connection & 78 working days for HT connections for both New & EOL. New Timelines for LT (Urban) have been implemented as 7 days and for LT (Rural) as 15 days w.e.f. 01.04.2025.
- (b) SOP timelines excludes time taken by applicant in compliance.
- (c) Average delivery time& % delivery within SOP from **01.04.2025 to 31.03.2025** is as under:

|     | LT Supply (up to 50 KW) |                          | HT Supply (Above 50 KW) |                          |
|-----|-------------------------|--------------------------|-------------------------|--------------------------|
|     | Average delivery Time   | % within in SOP timeline | Average delivery Time   | % within in SOP timeline |
| New | 19.08                   | 97.91%                   | 51.7                    | 84.42%                   |
| EOL | 9.6                     | 98.5%                    | 44.9                    | 90.38%                   |

- (d) Pending overdue applications excluding pending on compliance of demand notice on part of applicant ending **31.03.2025** is as under:

| Type | LT Supply (up to 50 KW) |         | HT Supply (Above 50 KW) |         |
|------|-------------------------|---------|-------------------------|---------|
|      | Overdue                 | Load KW | Overdue                 | Load KW |
| New  | 144                     | 1963.3  | 58                      | 306783  |
| EOL  | 20                      | 433     | 26                      | 29593.9 |

The connections are being released within SOP timelines and there is negligible pendency of small number of overdue cases, which are due to variety of factors which are peculiar to each case such as ROW issue, requires augmentation, delay in self-execution, local system constraints, pending on part of consumer/ delay in processing etc which are resolved and dealt accordingly.

#### Reply by DHBVNL:

DHBVNL submitted vide Memo No. Ch-190 /SE/RA-788 dated 24.12.2025:

As per Hon'ble Commission Directive, status of pending Non-AP connections is summarized as under: -

- As per SOP Regulations, prescribed timeline is 37 working days for LT connections & 78 working days for HT Connections for both New & EOL. New Timelines for LT (Urban) have been implemented as 7 days and for LT (Rural) as 15 days w.e.f. 01.04.2025.
- SOP Timelines excludes time taken by applicant in compliance.
- Average delivery time & % delivery within SOP from 01.04.2024 to 31.03.2025 is as under: -

|     | LT Supply (Upto 50 KW) |                          | HT Supply (Above 50 KW) |                          |
|-----|------------------------|--------------------------|-------------------------|--------------------------|
|     | Average Delivery Time  | % within in SOP Timeline | Average Delivery Time   | % within in SOP Timeline |
| New | 14.84                  | 97.51%                   | 76.12                   | 78.49%                   |
| EOL | 8.72                   | 97.59%                   | 50.95                   | 83.47%                   |

- Pending overdue applications excluding pending on compliance of demand notice on part of applicant ending 31.03.2025 is as under:

| Type | LT Supply (Upto 50 KW) |         | HT Supply (Above 50 KW) |          |
|------|------------------------|---------|-------------------------|----------|
|      | Overdue                | Load KW | Overdue                 | Load KW  |
| New  | 601                    | 8017.7  | 258                     | 324367.5 |
| EOL  | 216                    | 12794.9 | 79                      | 118751.9 |

The connection is being released within SOP timelines and there is negligible pendency of small number of overdue cases, which are due to variety of factors which are different to each case such as ROW issue, requires augmentation, delay in self-execution, local system constraints, pending on part of consumer which are resolved and dealt accordingly.

#### Status of LT Connections (Non-AP) as on 31.03.2025

**i. SOP Timelines**

| Inspection of Premises | Issue of Demand Notice | Release of supply on compliance of demand notice and receipt of payment | Total Time allowed |
|------------------------|------------------------|-------------------------------------------------------------------------|--------------------|
| 7 days                 | 7 days                 | 23 days                                                                 | 37 days            |

**ii. Pending Applications & Load ending 31.03.2025**

| Total Pending Applications |           | Pending within SOP Timelines |           | Overdue applications beyond SOP Timelines |           | % Overdue |
|----------------------------|-----------|------------------------------|-----------|-------------------------------------------|-----------|-----------|
| No.                        | Load (KW) | No.                          | Load (KW) | No.                                       | Load (KW) |           |
| 15329                      | 59953.6   | 14728                        | 51935.9   | 601                                       | 8017.7    | 3.92%     |

**iii. Released during FY 2024-25 (01.04.2024 to 31.03.2025)**

| Total Connection Released | Released within SOP Timelines | Released outside SOP Timelines | % Released with SOP Timelines | Average days taken |
|---------------------------|-------------------------------|--------------------------------|-------------------------------|--------------------|
| 178637                    | 174187                        | 4450                           | 97.51%                        | 14.84              |

**Pending New HT Connections (Non-AP) as on 31.03.2025**

**i. SOP Timelines**

| Voltage Level | Inspection of Premises | Issue of Demand Notice | Release of Supply on compliance of demand notice and receipt of payment | Total Time Allowed |
|---------------|------------------------|------------------------|-------------------------------------------------------------------------|--------------------|
| 11 KV         | 7 days                 | 14 days                | 57 days                                                                 | 78 days            |
| 33 KV         | 7 days                 | 20 days                | 77 days                                                                 | 104 days           |
| Above 33 KV   | 7 days                 | 25 days                | 142 days                                                                | 174 days           |

**Pending Applications & Load ending 31.03.2025**

| Voltage Level | Pending Applications |                 | Compliance of Demand Notice |                 | Pending within SOP Timelines |                 | Overdue applications beyond SOP Timelines |                 |
|---------------|----------------------|-----------------|-----------------------------|-----------------|------------------------------|-----------------|-------------------------------------------|-----------------|
|               | No.                  | Load (KW)       | No.                         | Load (KW)       | No.                          | Load (KW)       | No.                                       | Load (KW)       |
| 11 KV         | 550                  | 167934.6        | 210                         | 55259.8         | 316                          | 77624.5         | 234                                       | 90310.1         |
| 33 KV         | 22                   | 86505.4         | 8                           | 28505           | 7                            | 23790.2         | 15                                        | 62715.2         |
| Above 33 KV   | 10                   | 179442.2        | 5                           | 44668           | 1                            | 8100            | 9                                         | 171342.2        |
| <b>Total</b>  | <b>582</b>           | <b>433882.2</b> | <b>223</b>                  | <b>128432.8</b> | <b>324</b>                   | <b>109514.7</b> | <b>258</b>                                | <b>324367.5</b> |

**ii. Released during FY 2024-25 (01.04.2024 to 31.03.2025)**

| Total Connection Released | Released within SOP Timelines | Released outside SOP Timelines | %Released with SOP Timelines | Average days taken |
|---------------------------|-------------------------------|--------------------------------|------------------------------|--------------------|
| 916                       | 719                           | 197                            | 78.49%                       | 76.12              |

\* Also included applications delayed by applicant under self-execution.

**Pending EOL-LT Connections (Non-AP) as on 31.03.2025**

**i. SOP Timelines**

| Inspection of Premises | Issue of Demand Notice | Release of Supply on compliance of demand notice and receipt of payment | Total Time allowed |
|------------------------|------------------------|-------------------------------------------------------------------------|--------------------|
| 7 days                 | 7 days                 | 23 days                                                                 | 37 days            |

**ii. Pending Application & Load ending 31.03.2025**

| Total Pending Application |           | Pending within SOP Timelines |           | Overdue applications beyond SOP Timelines |           |
|---------------------------|-----------|------------------------------|-----------|-------------------------------------------|-----------|
| No.                       | Load (KW) | No.                          | Load (KW) | No.                                       | Load (KW) |
| 2201                      | 26272.9   | 1985                         | 13478     | 216                                       | 12794.9   |

**iii. Released during FY 2024-25 (01.04.2024 to 31.03.2025)**

| Total connections released | Released within SOP Timelines | Released outside SOP Timelines | % Released with SOP Timelines | Average Days Taken |
|----------------------------|-------------------------------|--------------------------------|-------------------------------|--------------------|
| 30106                      | 29381                         | 725                            | 97.59%                        | 8.72               |

**Pending EOL HT Connections (Non-AP) as on 31.03.2025**

**i. SOP Timelines**

| Voltage Level | Inspection of Premises | Issue of Demand Notice | Release of Supply on compliance of demand notice and receipt of payment | Total Time Allowed |
|---------------|------------------------|------------------------|-------------------------------------------------------------------------|--------------------|
| 11 KV         | 7 days                 | 14 days                | 57 days                                                                 | 78 days            |
| 33 KV         | 7 days                 | 20 days                | 77 days                                                                 | 104 days           |
| Above 33 KV   | 7 days                 | 25 days                | 142 days                                                                | 174 days           |

**ii. Pending Applications & Load ending 31.03.2025**

| Voltage Level | Pending Applications |                 | Compliance of Demand Notice |                | Pending within SOP Timelines |                | Overdue applications beyond SOP Timelines |                 |
|---------------|----------------------|-----------------|-----------------------------|----------------|------------------------------|----------------|-------------------------------------------|-----------------|
|               | No.                  | Load (KW)       | No.                         | Load (KW)      | No.                          | Load (KW)      | No.                                       | Load (KW)       |
| 11 KV         | 210                  | 82954.2         | 20                          | 22381.7        | 142                          | 34624.8        | 68                                        | 48329.4         |
| 33 KV         | 12                   | 15413.7         | 6                           | 8036.6         | 6                            | 5018.3         | 6                                         | 10395.4         |
| Above 33 KV   | 9                    | 107700          | 3                           | 15600.3        | 5                            | 57000          | 4                                         | 50700           |
| <b>Total</b>  | <b>231</b>           | <b>206067.9</b> | <b>29</b>                   | <b>46018.6</b> | <b>153</b>                   | <b>96643.1</b> | <b>78</b>                                 | <b>109424.8</b> |

**iii. Released during FY 2024-25 (01.04.2024 to 31.03.2025)**

| Total Connection Released | Released within SOP Timelines | Released outside SOP Timelines | %Released with SOP Timelines | Average days taken |
|---------------------------|-------------------------------|--------------------------------|------------------------------|--------------------|
| 883                       | 737                           | 146                            | 83.47%                       | 50.95              |

\* Also included applications delayed by applicant under self-execution.

1. Average delivery time & % delivery within SOP as on 31.07.2025 is as under :-



| Type | LT Supply (Upto 50 KW) |                          | HT Supply (Above 50 KW) |                          |
|------|------------------------|--------------------------|-------------------------|--------------------------|
|      | Average Delivery Time  | % within in SOP Timeline | Average Delivery Time   | % within in SOP Timeline |
|      |                        |                          |                         |                          |
| New  | 16.91                  | 93.67%                   | 70.18                   | 69.57%                   |
| EOL  | 11.15                  | 95.66%                   | 51.19                   | 80.07%                   |

2. Pending overdue applications excluding pending on compliance of demand notice on part of applicant for the application submitted from 01.04.2025 to 31.07.2025 is tabulated as under:

| Type | LT Supply (Upto 50 KW) |         | HT Supply (Above 50 KW) |         |
|------|------------------------|---------|-------------------------|---------|
|      | Overdue                | Load KW | Overdue                 | Load KW |
| New  | 977                    | 6549.7  | 19                      | 6430.6  |
| EOL  | 273                    | 3740.4  | 15                      | 5256.2  |

### 3. Status of LT Connections (Non-AP)

i. Pending Applications & Load for the applications applied for new connections between 01.04.2025 to 31.07.2025

| Total Pending Applications |             | Pending within SOP Timelines |             | Overdue applications beyond SOP Timelines | %Overdue  | 5.62% |
|----------------------------|-------------|------------------------------|-------------|-------------------------------------------|-----------|-------|
| No.                        | Load (KW)   | No.                          | Load (KW)   | No.                                       | Load (KW) |       |
| 17364                      | 6854<br>1.9 | 16387                        | 6199<br>2.2 | 977                                       | 6549.7    |       |

ii. Released new connections from 01.04.2025 to 31.07.2025

| Total Connection Released | Released within SOP Timelines | Released outside SOP Timelines | % Released with SOP Timelines | Average days taken |
|---------------------------|-------------------------------|--------------------------------|-------------------------------|--------------------|
| 64174                     | 60110                         | 4064                           | 93.67%                        | 16.91              |

iii. Pending Applications & Load for the applications applied for EoL connections between 01.04.2025 to 31.07.2025

| Total Pending Application |           | Pending within SOP Timelines |           | Overdue applications beyond SOP Timelines |           |
|---------------------------|-----------|------------------------------|-----------|-------------------------------------------|-----------|
| No.                       | Load (KW) | No.                          | Load (KW) | No.                                       | Load (KW) |
| 2633                      | 22080.2   | 2360                         | 18339.8   | 273                                       | 3740.4    |

iv. Released EoL connections from 01.04.2025 to 31.07.2025

| Total connections released | Released within SOP Timelines | Released outside SOP Timelines | % Released with SOP Timelines | Average Days Taken |
|----------------------------|-------------------------------|--------------------------------|-------------------------------|--------------------|
| 16071                      | 15373                         | 698                            | 95.66%                        | 11.15              |

#### 4. Status of HT Connections (Non-AP)

| Voltage Level | Pending Applications |                 | Compliance of Demand Notice |                | Pending within SOP Timelines |                 | Overdue applications beyond SOP Timelines |               |
|---------------|----------------------|-----------------|-----------------------------|----------------|------------------------------|-----------------|-------------------------------------------|---------------|
|               | No.                  | Load (KW)       | No.                         | Load (KW)      | No.                          | Load (KW)       | No.                                       | Load (KW)     |
| 11 KV         | 280                  | 76576.8         | 104                         | 36884.5        | 261                          | 70146.4         | 19                                        | 6430.4        |
| 33 KV         | 5                    | 15121.7         | 2                           | 5090.3         | 5                            | 15121.7         | 0                                         | 0             |
| Above 33 KV   | 1                    | 14745           | 0                           | 0              | 1                            | 14745           | 0                                         | 0             |
| <b>Total</b>  | <b>286</b>           | <b>106443.4</b> | <b>106</b>                  | <b>41974.8</b> | <b>267</b>                   | <b>100013.1</b> | <b>19</b>                                 | <b>6430.4</b> |

- i. Pending Applications & Load for the applications applied for new connections between 01.04.2025 to 31.07.2025
- ii. Released new connections from 01.04.2025 to 31.07.2025

| Total Connection Released | Released within SOP Timelines | Released outside SOP Timelines | %Released with SOP Timelines | Average days taken |
|---------------------------|-------------------------------|--------------------------------|------------------------------|--------------------|
| 368                       | 256                           | 112                            | 69.57%                       | 70.18              |

Also included applications delayed by applicant under self-execution.

Pending Applications & Load for the applications applied for EoL connections between 01.04.2025 to 31.07.2025

| Voltage Level | Pending Applications |              | Compliance of Demand Notice |                | Pending within SOP Timelines |                | Overdue applications beyond SOP Timelines |               |
|---------------|----------------------|--------------|-----------------------------|----------------|------------------------------|----------------|-------------------------------------------|---------------|
|               | No.                  | Load (KW)    | No.                         | Load (KW)      | No.                          | Load (KW)      | No.                                       | Load (KW)     |
| 11 KV         | 145                  | 54424.4      | 45                          | 18842.7        | 130                          | 49168.2        | 15                                        | 5256.2        |
| 33 KV         | 12                   | 17304.6      | 2                           | 860            | 12                           | 17304.6        | 0                                         | 0             |
| Above 33 KV   | 1                    | 11300        | 0                           | 0              | 1                            | 11300          | 0                                         | 0             |
| <b>Total</b>  | <b>158</b>           | <b>83029</b> | <b>47</b>                   | <b>19702.7</b> | <b>143</b>                   | <b>77772.8</b> | <b>15</b>                                 | <b>5256.2</b> |

Released EoL connections from 01.04.2025 to 31.07.2025

| Total Connection Released | Released within SOP Timelines | Released outside SOP Timelines | %Released with SOP Timelines | Average days taken |
|---------------------------|-------------------------------|--------------------------------|------------------------------|--------------------|
| 301                       | 241                           | 60                             | 80.07%                       | 51.19              |

Pending new connections as on 31.07.2025 whose applications has been applied on or before 31.03.2025:

| Voltage Level | Total Pending Applications |                 | Compliance of Demand Notice |                 | Overdue applications beyond SOP Timelines |                 |
|---------------|----------------------------|-----------------|-----------------------------|-----------------|-------------------------------------------|-----------------|
|               | No.                        | Load (KW)       | No.                         | Load (KW)       | No.                                       | Load (KW)       |
| LT            | 225                        | 3101.4          | 0                           | 0               | 225                                       | 3101.4          |
| 11 KV         | 221                        | 71373.5         | 150                         | 48676.8         | 221                                       | 71373.5         |
| 33 KV         | 16                         | 6775.3          | 7                           | 24909.7         | 16                                        | 6775.3          |
| Above 33 KV   | 9                          | 171342.2        | 6                           | 52768           | 9                                         | 171342.2        |
| <b>Total</b>  | <b>471</b>                 | <b>252592.4</b> | <b>163</b>                  | <b>126354.5</b> | <b>471</b>                                | <b>252592.4</b> |

Pending EoL connections as on 31.07.2025 whose applications has been applied on or before 31.03.2025.

| Voltage Level | Total Pending Applications |                 | Compliance of Demand Notice |              | Overdue applications beyond SOP Timelines |                 |
|---------------|----------------------------|-----------------|-----------------------------|--------------|-------------------------------------------|-----------------|
|               | No.                        | Load (KW)       | No.                         | Load (KW)    | No.                                       | Load (KW)       |
| LT            | 127                        | 6489            | 0                           | 0            | 127                                       | 6489            |
| 11 KV         | 47                         | 52301.7         | 18                          | 2755.1       | 47                                        | 52301.7         |
| 33 KV         | 7                          | 7453.4          | 4                           | 5651.6       | 7                                         | 7453.4          |
| Above 33 KV   | 5                          | 45700           | 3                           | 15600.3      | 5                                         | 45700           |
| <b>Total</b>  | <b>186</b>                 | <b>111944.1</b> | <b>25</b>                   | <b>24007</b> | <b>186</b>                                | <b>111944.1</b> |

**Commission Observation**

**Partially Complied**

**(More Effort required to achieve SoP timelines)**

- The Commission has noticed that the compliance of CGRF / Court orders is getting delayed.

In this regard, Discoms are advised to expedite the compliance of such orders, public meetings/ Lok Adalat should be held by the senior officers at circle / division level. In case of delay in implementation of the orders of the Commission, the responsibility of

the officers/officials should be fixed and It should be ensured that penalty/interest payable on account of such delay is recovered from such officers/officials.

**Reply by UHBVNL:**

UHBVNL submitted vide Memo No. Ch-119/RA/F-173/Vol-(15) dated 16.06.2025:

For the compliance of the directive, the instruction has been issued to all concerned vide Ch-15/TR-72(90)/ Tariff /ARR/FY 2025-26/ CE/ C-I dated 22.04.2025.

Moreover, as per the directions, the status of compliance of directions passed by the CGRF is being monitored on a regular basis in WTDs meetings.

**Reply by DHBVNL:**

DHBVNL submitted vide Memo No. Ch- 127 /SE/RA-788 dated 13.08.2025

It is certified that no decision of Circle CGRF is pending for implementation & directions have been imparted to all XENs for compliance the CGRF orders within stipulated period.

**Commission's Observation.**

**UHBVNL:**

**Complied with but Copy of the instructions issued not submitted)**

**DHBVNL:**

**Not Complied . No reply w.r.t decisions of corporate CGRF given.**

16. In order to ensure the timely resolution of the complaints filed by the consumers, following directions are issued: -
- i. 'Exception' reports should be generated for all the complaints with pendency exceeding 7 days, which needs to be rigorously followed-up by the XEN in-charge of the division, who shall be responsible for resolving the same within 7 days
  - ii. Pendency exceeding 7 days should be followed-up by SE in-charge of the circle, who shall be responsible for getting the same resolved within 7 days
  - iii. Pendency exceeding 21 days should be followed-up by Chief Engineer (Operations), who shall be responsible for getting the same resolved within 7 days.
  - iv. For all the delays exceeding 1 months, Director (Operation) of the respective DISCOMs shall be responsible for getting the issue resolved within 7 days.
  - v. Pendency exceeding 1 month should be discussed in the WTD meeting of the respective DISCOMs.

Where all the documents have been received at CBO from field office (SDO office) and still the issue has not been resolved at CBO within 7 days, then the XEN of the CBO office shall be responsible for consequences.

Further, the grievance of the consumers should not be pending at any level for more than two days.

**Reply by UHBVNL:**

Reply UHBVNL vide Memo No. Ch-99/RA/F-173/Vol-(15) dated 21.05.2025:

In this regard, the following is submitted: -

- The directive issued by Hon'ble Commission has been conveyed to field offices for strict compliance.
- The provision to identify the overdue complaints in CM tool has already been implemented & the MIS of pending complaints can be generated/extracted from tool directly by all field offices.
- The status of pending consumer's complaints & exceptions are being reviewed at various levels.

The average resolution time of consumer complaint at CBO is less than 2 working days.

**Reply DHBVNL:**

DHBVNL submitted vide Memo No. Ch- 127/SE/RA-788 dated 13.08.2025

In this regard, the following is submitted: -

- The directive issued by Hon'ble Commission has been conveyed to field offices for strict compliance.
- The provision to identify the overdue complaints in CM tool has already been implemented & the MIS of pending complaints can be generated/extracted from tool directly by all field offices.
- The status of pending consumer's complaints & exceptions is being reviewed at various levels.

Also, all officials under the CBO wing have been already directed to strictly comply the timelines i.e. two days to redress the consumer grievances.

**Commission's Observation.**

**Complied , copy of the instructions issued not submitted. Current status report as per MIS tool required**

17. DISCOMs need to simplify bills indicating amount, units consumed and last date of payment in bold letters so that common man can read it quickly to make payment of bill. Further, the bills should be both in English as well as in Hindi language.

**Reply by UHBVNL:**

UHBVNL submitted vide Memo No. Ch-119/RA/F-173/Vol-(15) dated 16.06.2025:

The Nigam has proposed a revised electricity bill format which is a simplified and consumer-friendly version. As directed by the Worthy Chairman, HERC during the hearing on ARR on dated 15.01.2025 to prominently highlight key details such as the total amount payable, units consumed, and the last date of payment in bold for better visibility has been incorporated and has been annexed with the filing .

However, Ministry of Power, GoI has also circulated a new version of simplified bill PAN India and further directed to submit the comments of DISCOMs, which is under consideration and has been annexed with the filing.

The revised bill format will be finalized shortly.

**Reply DHBVNL:**

DHBVNL submitted vide Memo No. Ch-127 /SE/RA-788 dated 13.08.2025

It is submitted in the CC&B billing software; the necessary provision has made as directed. Such as highlighting the amount, units consumed, and the last date for payment in bold letters.

Further, in the CC&B billing software, bills are currently generated in the English language. The present version of the billing software does not support the Hindi font. However, at the Meter Reading Agency end, provisions for both English and Hindi have already been made in the real-time billing system, through which bills are delivered to electricity consumers.

**Commission's Observation.**

**UHBVNL: Complied , copy of the bill after revision to be submitted**

**DHBVNL: Partially Complied**

18. The Commission observes that UHBVNL and DHBVNL have installed 5 lakh and 3.72 lakh smart meters, respectively. However, these are installed in the cities such as Panchkula, Karnal, Panipat and Gurugram, where the AT&C losses were already low.

In this regard, DISCOMs are directed to submit the cost-benefit analysis of smart meters already installed. Further, an action plan to install Smart Metering on high loss feeders may be submitted, within three months from the date of issue of this order.

**Reply UHBVNL:**

UHBVNL submitted vide Memo No. Ch-107/RA/F-173/Vol-(15) dated 03.06.2025:

UHBVN have installed 4.97 Lakh smart meters in Panchkula, Panipat, Karnal, Gharaunda and Pinjore till March, 2025 at expenditure of Rs. 152.27 Cr. (amount paid to M/s EESL).

| Sr. No.            | FY      | Smart meter installed |
|--------------------|---------|-----------------------|
| 1                  | 2019-20 | 32,916                |
| 2                  | 2020-21 | 83,760                |
| 3                  | 2021-22 | 1,01,348              |
| 4                  | 2022-23 | 1,56,695              |
| 5                  | 2023-24 | 95,253                |
| 6                  | 2024-25 | 27,516                |
| <b>Grand Total</b> |         | <b>4,97,488</b>       |

Total saving on account of Reduction in AT&C losses is Rs. 1022.93 Cr. and has been annexed with the filing.

OK Billing Percentage: 98.88%

Faster and Easy Recovery (RC/DC): Rs.113.8 Cr. has been recovered from 1,42,425 consumers till March 2025.

Consumer Empowerment & Satisfaction: Monitoring Daily Consumption through Mobile App/ Web Portal, Pre-Paid Billing Facility (5% rebate on Sale of Power is given for prepaid billing).

NIT No. 45/SE/Projects/AMISP/2023-24 was floated in 4 packages (circle wise) for implementation of smart metering in Discom for all category of consumers except AP consumers.

The price bids for the tender were opened on 28.03.2025 & are being compared with other works awarded under RDSS. Packages C and D were dropped due to single bid qualified and same are re-floated on 03.04.2025. Project execution time is 2.5 years from date of award divided into two phases as under: -

- 1) Phase-I: - All Urban consumers & 3 Phase Rural consumers having sanctioned load more than 5 KW to be completed in 18 months from date of award.

Phase-II: - All single-phase Rural Consumers having sanctioned load less than 5 KW to be completed in 12 months after completion of Phase-I.

#### Reply DHBVNL.

DHBVNL submitted vide Memo No. Ch-74/SE/RA-788 dated 12.06.2025

DHBVN have installed 3.72 Lakh smart meters in Gurugram & Faridabad towns till March 2025 at expenditure of Rs. 102.71 Cr. (amount paid to M/s EESL).

| Sr. | Financial Year | Smart Meter Installed in Nos. |
|-----|----------------|-------------------------------|
| 1   | 2019-20        | 40,004                        |
| 2   | 2020-21        | 76,640                        |
| 3   | 2021-22        | 59,372                        |
| 4   | 2022-23        | 58,393                        |
| 5   | 2023-24        | 1,38,397                      |
| 6   | 2024-25        | 0                             |
|     | Grand Total    | 3,72,788                      |

Total saving on account of Reduction in AT&C losses is **Rs. 911.74 Cr.** Detail has been annexed with the filing.

Reduction in AT&C losses is attributable to: -

- Loss Reduction works carried out in areas/Sub-divisions under consideration
- Smart metering works
- Other initiatives such as anti-theft campaigns, recovery of dues from non-smart consumers etc.

However, the contribution of each and every reason mentioned cannot be measured

- OK Billing Percentage of smart meter consumers: 98.11%
- Faster and Easy Recovery (Remote Disconnection/Reconnection): Rs. 92.71 Cr has been recovered from 59942 no's consumers in FY 24-25.
- Consumer Empowerment & Satisfaction: Monitoring Daily Consumption through Mobile App/ Web Portal, Pre-Paid Billing Facility (5% rebate on Sale of Power is given for prepaid billing).
- NIT No. 3/1T/AMISP/2023-24 was floated in 4 packages (Circle-wise) for implementation of smart metering in Discom for all categories of consumers except AP consumers

The price bids for the tender were opened on 09.04.2025. Packages A & B were dropped due to single bid qualified, and Packages D was also dropped as the bid submitted by M/s Linkwell telesystem Pvt. Ltd (L-1) is rejected due to supply of



substandard meters having high defective rate in UPPCL and all three packages will be re-floated. Package C shall be referred to HPWPC (State) for negotiation. Accordingly, the tender of Packages C is expected to be awarded by July 2025 if negotiations is successful with bidders, and Phase I scheduled for completion by January 2027 i.e., 18 months from date of award and Phase II by January 2028 i.e., 12 months after completion of Phase-I.

#### **Commission's Observation**

##### **Partially Complied , (Progress of new projects not appreciable)**

19. Terminal Liability- The Discoms are directed to claim terminal liabilities based on actual values instead of claiming the same on the basis of actuarial valuation. Any aberrations can be trued up.

In this regard, Discoms are directed to provide, within three months from the date of issue of this order, total funds value in the trusts constituted to meet terminal liability as on 31.03.2025, annual return on these funds including return in the FY 2024-25 and terminal liabilities being met out of these funds on an annual basis.

#### **Reply by UHBVNL:**

UHBVNL submitted vide Memo No. Ch-121/RA/F-173/Vol-(15) dated 18.06.2025:

The Financial Statements of Nigam are being prepared on the basis of Ind-AS notified by the ICAI. As per Ind-AS 19, terminal benefits are recognized as liability and expense when an employee provides services in exchange for those benefits. Therefore, expense on account of terminal benefit be booked in the Financial Statements on the accrual basis i.e. based on the Actuarial Valuation report being mandatory requirement of Ind-AS.

However, the actual expenditure on account of terminal benefits for the year will be submitted in due course.

At present following trusts are being maintained for the UHBVN employees for pension:

1. HVPNL Pension fund trust- for allottee employees on 01.07.1999
2. UHBVN Pension fund trust- for Appointee employees after 01.07.1999

Matter was taken up with the HVPNL pension fund trust for providing fund value as on 31.03.2025 in respect of UHBVN for allottee employees, however, response at their end is still awaited.

The total fund value of UHBVN Trust as on 31.03.2024 was Rs. 1908.22 Cr. (Including returns)

The accounts of Trust for the FY 2024-25 are in process. Therefore, return for the FY 2024-25 shall be provided after finalization of accounts of UHBVN Pension Fund Trust.

**Reply by DHBVNL:**

DHBVNL submitted vide Memo No. Ch- 127/SE/RA-788 dated 13.08.2025

The financial statements of Nigam are being prepared on the basis of IND-AS notified by the ICAI. Indian AS-19 recognizes the liabilities/expenses for employees benefits that arises when employees render services to a company. The cost of employees' benefits schemes is generally recognized in Profit & Loss Account as service cost, net interest cost and in other comprehensive income (OCI) as remeasurements of estimate. Accordingly, during FY 2023-24 M/s Kapadia and Kochrekars was appointed as Actuary Valuator, and as per his report a sum of Rs. 330.02/- crore and Rs. 294.52/- crore is terminal liability /contribution of DHBVNL and HVPNL Pension Trust respectively this is mandatory requirement of Indian Accounting Standard.

It is further submitted that as per Statutory provisions, liabilities towards Pension Trust have been made/paid to concerned trusts during FY 2024-25. It is further submitted that matter was taken up with HVPNL Pension Fund Trust for providing fund value as on 31.03.2025 in respect of DHBVN for allottee employees, however response at their end is still awaited.

**Commission Observation.**

**Partially complied with. Nigam was directed to provide, within three months from the date of issue of this order, total funds value in the trusts constituted to meet terminal liability as on 31.03.2025, annual return on these funds including return in the FY 2024-25 and terminal liabilities being met out of these funds on an annual basis.**

20. DISCOMs are directed to take appropriate action on the views / suggestions of the SAC Members and submit an action taken report to the Commission within three months from the date of issue of this order. (Page 103)

**Reply by UHBVNL- No reply**

**Reply by DHBVNL- No reply**

**Commission' Observation**

**However, both the discoms in the recent SAC Committee meeting, disclosed the status of compliance of directives issued in SAC meeting and ensured compliance. In future, it will be monitored in the SAC Committee meetings itself.**

21. The Commission further observes that meter reading expenses has increased despite the installation of smart meters. An amount of Rs. 46.82 crore has been paid to EESL, without any justification of the same in the petition. Accordingly, the Discoms are directed to provide the same within two months from the date of issue of this order. (Page 107)

**Reply by UHBVNL:**

UHBVNL submitted vide Memo No. Ch-107/RA/F-173/Vol-(15) dated 03.06.2025:

UHBVN has signed the contract agreement with EESL to implement the Smart Metering in UHBVN on 07 Dec 2020 on Build Own Operate and Transfer (BOOT) model at monthly payment of Rs 102.64 per meter for the entire project duration. This amount includes the total expenditure incurred by EESL for supply and installation of Smart Meters, IT applications, communication infrastructure, maintenance of entire system along with interest cost, return of equity and project management charges.

Project duration is 8 years from signing of contract agreement (3 years of project execution i.e., by December 2023 followed by 5 years of O&M) from the date of signing of contract agreement i.e. upto December, 2028.

The year wise expenditure / payments (includes smart meter installation, IT Application & their maintenance and field O&M etc.) made to EESL is as under:-

FY 2021-22 – Rs. 11.80 Cr.

FY 2022-23 – Rs. 33.98 Cr.

FY 2023-24 – Rs. 50.55 Cr.

FY 2024-25 – Rs. 55.93 Cr.

**Reply by DHBVNL.**

DHBVNL submitted vide Memo No. Ch-74/SE/RA-788 dated 12.06.2025

DHBVN has signed the contract agreement with M/s EESL to implement the Smart Metering in DHBVN on 21 Jan 2021 on Build Own Operate and Transfer (BOOT) model at monthly payment of Rs 102.64 per meter for the entire project duration, this amount includes the total expenditure incurred by EESL for supply and installation of Smart Meters, IT applications, communication infrastructure, maintenance of the entire system along with interest cost, return of equity and project management charges.

Project duration is 8 years from signing of contract agreement (3 years of project execution i.e. by January 2024 followed by 5 years of O&M) from the date of signing of contract agreement i.e. up to January 2029.

The year's wise expenditure / payments (including smart meter installation, IT Application & their maintenance and field O&M etc.) made to EESL is as under: -

FY 2020-21 - Rs. 2.52 Cr.

FY 2021-22 - Rs. 14.97 Cr.

FY 2022-23 -Rs. 21.45 Cr.

2FY 2023-24 - Rs. 28.22 Cr.

FY 2024-25 - Rs. 35.54 Cr.

**Commission's Observation.**

**Partially Complied with. An amount of Rs. 46.82 crore has been paid to EESL, without any justification and the reply also seems to be not relevant and complete as meter reading expenses enhancement is not justified.**

22. The Commission again directs DHBVNL to shift AP connections on segregated AP feeders at the earliest for proper accounting of AP sales. (Page 148)

**Reply by DHBVNL.**

DHBVNL submitted vide Memo No. Ch-74/SE/RA-788 dated 12/06/2025:

It is submitted that, the losses of DHBVN on AP feeders range between 3 to 4 %, and the difference observed by the Hon'ble Commission is 772.00 MUS in sales of FY 2023-24. The figure of AP sales has been analysed by this office and the actual figures of FY 2023-24 of AP consumption are as under: -

- i. Total consumption of AP feeders downloaded through CMRI = 6227.66 MUs
- ii. AP Billing of consumers on feeder other than AP feeder = 401.68 MUs
- iii. Consumption of other category i.e DS, NDS. Indl. etc on segregated AP Feeders = 112.91 MUs

Total AP consumption = i + ii - iii i.e.,

$$6227.76 + 401.68 - 112.91 = 6516.43 \text{ Mus}$$

Total AP units received using above formula comes out to be 6516.43 MUs and total AP sold units are 6292.24 MUS. Out of these sold units of 6292.24 MUS, FPO sales is 3.45 MUs, thus net AP sales come out to be 6288.79 MUS and accordingly the overall AP loss comes out to be is 3.49%.

Further, following points are also submitted:

- 1. As of 31.03.2024, 86,206 connections are unmetered, which accounts for 24.77% of total AP connections.
- 2. Defective meters on AP connections as on 31.03.2024 are 91293, which is 26.24% of Total AP connections.

*Billings of these connections is being done on provisional basis as per Sales Circular: D-28/2013 (as per Hon'ble HERC directions issued vide memo no. 7011/HERC/T126 dated 13.12.2012 and order issued in case no. HERC/RA-OI 012013 dated 06.06.2013).*

The reasons of AP consumption on Non-feeders are as given below: -

- a) As of 31.03.2024 12650 nos. of AP connections i.e. 3.61 % of total AP connections, with connected load of 76.52 MW were running on Non-AP Feeders, which is a reduction from 13,583 connections on 31.03.2023. The segregation work of these feeders is actively in progress and it is expected that the feasible AP connections feeders will be successfully shifted to segregated AP feeders in due course.

As of 31.03.2025, there a total of 11,399 nos. of AP connections i.e. 3.23 % of total AP connections, with connected load of 67.44 MW running on non-AP feeders. The circle wise status of these connections along with reasons of non-shifting has been annexed with the filing.

### **Commission's Observation**

**Not Complied**

23. Deviations from CAPEX 2023-24 : No reasons have been given for excess capex against sr. no. 6,7 and 14. UHBVN is directed to submit the reason for the same within two months from the date of issue of the order.(Page 166)

DHBVNL has not specified any reason or justification except for Sr. 3c,4 & 5 for the deviations made from the approved Capex. DHBVN is directed to submit the reasons / justification for the deviation within two months from the date of issue of the order. (Page 168)

**Reply by UHBVNL.**

UHBVNL submitted vide Memo No. Ch-102/RA/F-173/Vol-(15) dated 28.05.2025:

**Sr. No. 6**

Works executed as per the requirements received, more than forecasted, for various civil works during FY 2023-24. However, CAPEX proposed was based on previous year expenditures.

**Sr. No. 7**

LRP Works (Urban Sanitation) and projects under the MGJG Scheme are part of an ongoing process. The additional expenditure incurred is due to the inclusion of extra feeders aimed at reducing AT&C losses.

**Sr. No. 14**

The previous invoices from Oct 2022 were processed in FY 2023-24.

**Reply by DHBVNL.**

DHBVNL submitted vide Memo No. Ch-74/SE/RA-788 dated 12.06.2025

**Sr. No. 1(b)**

To replace defective meter in field, these 3 phase meters were procured causing minor difference in the approved CAPEX and actual expenditure incurred.

**Sr. No. 1(c)**

The additional power transformers to curb increased load demand as per 2 (b) we provided with new APFC to have better power factor which increased the CAPEX slightly.

**Sr. No. 2(a)**

25 Nos. 33 kV substations were allotted to M/s Naolin during FY 2022-23. However, the firm could not carry out the work and contract were terminated. Thereafter, these works allotted during FY 2023-24, so expenditure incurred during FY 2023-24.

**Sr. No. 2(b)**

Some extra expenditure incurred during FY 2023- 24 due to urgent requirement for augmentation of some additional 33 kV substations to overcome the overloading of the substations and to meet with the load requirement in the areas.

**Sr. No. 2(c)**

Due to increase in the work of augmentation of the 33 kV substations, the work of augmentation of 33 kV lines also increased correspondingly as the existing lines were not able in holding the capacity of the augmented 33 kV substation.

**Sr. No. 2(f)**

There is a minor difference in the approved CAPEX and actual expenditure incurred as some additional tubewell connections have been released.

**Sr. No. 2 (g)**

There is a minor difference in the approved CAPEX and actual expenditure incurred, as additional equipment's were procured to augment power transformers departmentally.

**Sr. No. 3(b)**

Mahara Gaon Jagmag Gaon scheme is the flagship programme of the Govt. of Haryana as the Govt. is keen to provide quality power supply to the consumers of the villages. To cover max. villages under the scheme, some extra expenditure has been incurred.

**Sr. No. 3(d)**

There is a minor difference in the approved CAPEX and actual expenditure incurred as maximum no. of dangerous lines were removed.

**Sr. No. 3(e)**

To ensure higher reliability of the power, the work of providing double source 33 kV supply with increased scope was carried out incurring some extra expenditure.

**Commission's Observation.**

**Complied with**

24. CAPEX (2024-25): UHBVN is directed to provide scheme wise expenditure within two months from the date of issue of the order. The Distribution Licensee is directed to give the justification of nil expenditure against the approved capex in certain schemes and to adhere to the Regulation meticulously. (Page 172)

DHBVN is directed to submit the reasons for deviations within two months from the date of issue of the order. (Page 174)

**Reply by UHBVNL.**

UHBVNL submitted vide Memo No. Ch-102/RA/F-173/Vol-(15) dated 28.05.2025:

**Sr. No 8**

Earlier NIT was floated on 02/07/2024 with reference to Standard Bidding Document-Version-2 (SBD-V2) and of late SBD-V3 was released by PFC in December 2024. Accordingly, new RFP as per SBD-V3 was floated on 11/02/2025.

Part-I of bid was opened on 09/04/2025 and currently technical evaluation is under process.

**Sr. No 9**

NIT No. 45/SE/Projects/AMISP/2023-24 was floated in 4 packages (circle wise) for implementation of smart metering in Discom for all category of consumers (except AP consumers) were floated on 15.12.2023. However, due to non-participation by bidders, multiple amendments & extensions were issued & the price bids for the tenders (2 no. packages) were opened on 28.03.2025.

Package-C and D were dropped as during techno commercial evaluation, only single bidder was qualified. These packages have been re-floated on 03.04.2025.

**Sr.No.4**

Release of connections to applicants applied during the period 01.01.2023 to 31.12.2023 resulted into higher capital expenditures. Thus, budget revised accordingly.

**Sr.No.7**

Aggressive drive for feeder sanitization in urban and rural areas for reduction of line losses was undertaken; accordingly, the expenditure has been revised.

Regarding the merging of various schemes at Sr. No. 1 to 3. The scheme wise



expenditure for FY 2023-24 & FY 2024-25 is as under: -

**FY 2023-24**

| Sr. No. | Name of the Scheme                                                                                                                                    | Approved Capex | Expenditure incurred in FY 2023-24 (up to 31.03.2024) |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------------------------------------------|
| 1       | Creation of new 33 kV sub-stations alongwith Spill Over and associated 33 kV & 11 kV lines including civil works / Normal development (33 kV & 11 kV) | 100.94         | 80.33                                                 |
| 2       | Augmentation of existing 33 kV sub-stations including civil works                                                                                     | 50.00          | 39.80                                                 |
| 3       | Augmentation of existing 33 kV lines                                                                                                                  | 4.06           | 3.23                                                  |

**FY 2024-25**

| Sr. No. | Name of the Scheme                                                                                                                                    | Capex proposed Revised Cost | Tentative Expend. incurred in FY 2024-25 (upto Feb 2025) |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|----------------------------------------------------------|
| 1       | Creation of new 33 kV sub-stations alongwith Spill Over and associated 33 kV & 11 kV lines including civil works / Normal development (33 kV & 11 kV) | 80.00                       | 63.20                                                    |
| 2       | Augmentation of existing 33 kV sub-stations including civil works                                                                                     | 50.00                       | 39.50                                                    |
| 3       | Augmentation of existing 33 kV lines                                                                                                                  | 3.32                        | 2.62                                                     |

**Reply by DHBVNL.**

DHBVNL submitted vide Memo No. Ch-74/SE/RA-788 dated 12.06.2025

**Sr. No. 4**

The NIT for Upgradation of CC&B is under process and no expenditure is likely to be incurred under instant NIT during FY 24-25. Further, the expenditure to be incurred on upgradation of infrastructure for CCB IS expected to be booked under FY 2024-25.

**Sr. No. 6**

The NIT of ERPSI is being undertaken by UHBVN Currently, the NIT for ERPSI is under process and has not been awarded yet. As such, no expenditure is likely to be incurred in FY 2024-25.

**Sr. No. 1(c)**

Two no. contracts have been awarded to the firms for the APFCs due to which it is likely that some extra expenditure will be incurred to make the defective units functional in addition to installation of new units on augmentation/additional power T/Fs.

**Sr. No. 2(a)**

25 Nos. 33 kV substations were allotted to M/S Naolin during FY 2022-23. However, the firm could not carry out the work and contract were terminated. Thereafter, these works allotted during FY 2023-24 & most of the expenditure is likely to be incurred during FY 2024-25 in addition to already approved works for FY 2024-25.

**Sr. No. 2(b)**

Some extra expenditure is likely to be incurred during FY 2024-25 due to urgent requirement for augmentation of the 33 kV substations to overcome the overloading of the substations and to meet with the load requirement in the areas.

**Sr. No. 2(e)**

Due to special emphasis on maintenance, extra material will be required for replacement of old assets.

**Sr. No. 2(g)**

To meet with the increased power demand, some works of emergent nature are to be carried out, allied installation of power transformers, equipments i.e. which will be carried out departmentally/partial turnkey basis.

**Sr. No. 3(b)**

Hindrances were created by the public in executing the works under Mahara Gaon Jagmag Gaon scheme in rural areas. The matter has been taken up with District administration and it is expected that the works shall be executed during FY 2024-25.

**Sr. No. 3(c)**

The CHS works was awarded in FY 23-24 expected one-time expenditure however stipulated to be incurred in for development of CHS portal in FY 23-24 was delayed rendering entire expenditure to be incurred in FY 24-25. There was an impromptu requirement and subsequent procurement of VC equipment at DHBVN, ensuing an expected additional expenditure of approximately 1 Crore.

**Sr. No. 5**

The expected expenditure has been increased on account of booking of expenses for IPS and ADC devices upgrades earlier stipulated to be made in FY23-24 and spilled over to FY 24-25.

**Sr. No. 3(h)**

Due to late submission of bills by the firm & delayed statutory compliances as per Work Order/NIT, the entire expenditure could not be incurred in FY 2023-24. Now, the remaining expenditure is likely to be incurred in FY 2024-25.

**Commission's Observation.**

**Complied with**

25. CAPEX (2025-26): The Licensee (UHBVNL) is directed to revise its Capital expenditure plan accordingly and submit the scheme wise details of the proposed expenditure to the Commission within one month of the Order.(Page 178)

Both the licensees are further directed that they shall regulate their capital expenditure plans for FY 2025-26 as per Regulations 9.7 to 9.12 of the Haryana Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) Regulations, 2024. (Page 179)

**Reply by UHBVNL.**

UHBVNL submitted vide Memo No. Ch-92/RA/F-173/Vol-(15) dated 09/05/2025 and Memo No. Ch-102/RA/F-173/Vol-(15) dated 28.05.2025:

The revised Capital Investment Plan of Rs. 1500.00 Cr. for UHBVN for the FY 2025-26 has been annexed with the filing.

The directive is duly acknowledged. Nigam confirms that the capital expenditure plans for FY 2025-26 will be regulated in strict compliance with Regulations 9.7 to 9.12 of the Haryana Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling, and Distribution & Retail Supply under the Multi-Year Tariff Framework) Regulations, 2024. All necessary measures will be taken to ensure full adherence to these provisions

**Reply by DHBVNL.**

DHBVNL submitted vide Memo No. Ch-25/SE/RA-788 dated 26.05.2025

It is submitted that the DISCOM has revised the projection for Capital Expenditure as per the approval figure of Rs. 1900 Cr. by the Hon'ble Commission.

It is further submitted that the scheme wise details along with funding details of proposed expenditure has been annexed with the filing.

**Commission's Observation.**

**Complied with**

26. The Commission analysed the submissions of the petitioners and observes that the DISCOMs could not achieve the targets of installation of Smart Meter envisaged in National Tariff Policy 2016.

Accordingly, the DISCOMs are advised to adhere to the timelines for the metering project for which the tenders have been floated by both DISCOMs which indicated that the timelines of Dec.25 and Dec.26 for phase I & II are likely to overshoot as there is completion period of 30 months after award of contracts. Discoms are directed to provide realistic time lines. (Page 190)

**Reply by UHBVNL.**

NIT No. 45/SE/Projects/AMISP/2023-24 was floated in 4 packages (circle wise) for implementation of smart metering in Discom for all category of consumers except AP consumers.

The price bids for the tender were opened on 28.03.2025 & are being compared with other works awarded under RDSS. Packages C and D were dropped due to single bid qualified and same are re-floated on 03.04.2025. Project execution time is 2.5 years from date of award divided into two phases as under: -

Phase-I: - All Urban consumers & 3 Phase Rural consumers having sanctioned load more than 5 KW to be completed in 18 months from date of award.

Phase-II: - All single-phase Rural Consumers having sanctioned load less than 5 KW to be completed in 12 months after completion of Phase-I.

**Reply by DHBVNL.**

DHBVNL submitted vide Memo No. Ch-74/SE/RA-788 dated 12.06.2025

NIT No. 3/1T/AMISP/2023-24 was floated in 4 packages (Circle-wise) for implementation of smart metering in Discom for all category of consumers except AP consumers.

The price bids for the tender were opened on 09.04.2025. Packages A & B were dropped due to single bid qualified, and Packages D was also dropped as the bid submitted by M/s Linkwell telesystem Pvt. Ltd (L-1) is rejected due to supply of substandard meters having high defective rate in UPPCL and all three packages will be

re-floated. Package C shall be referred to HPWPC (State) for negotiation. Accordingly, the tender of Packages C is expected to be awarded by July 2025 if negotiations is successful with bidders, and Phase I scheduled for completion by January 2027 i.e., 18 months from date of award and Phase II by January 2028-i.e., 12 months after completion of Phase-I.

**Commission's Observation**

**Not Complied**

**UHBVNL: Even after opening of price bids in Mar 25 the tender has not been finalised**

**DHBVNL: The project requires highest priority and indulgence**

27. DISCOMs are directed to Expedite balance work of MGJG to make compliance of the said Rule and submit report within two months. (Page 192)

**Reply by UHBVNL**

As on 30.04.2025, UHBVN has a total of 3,590 villages under its jurisdiction. Out of these, MGJG-related works have been completed in 3,530 villages. Currently, 3,370 villages are receiving 24x7 power supply, which constitutes approximately 94% of the total.

All Villages of 6 districts (Panchkula, Ambala, Karnal, Kurukshetra, Yamuna Nagar & Panipat) are receiving 24 hrs. supply.

Another 166 villages are on a 16-hour power supply schedule. The number of villages where MGJG work is still pending stands at 54.

Of these 54 pending villages, 43 are facing public resistance, and in 11 villages, the work is expected to be completed by July 2025.

Furthermore, to upgrade the existing 16-hour supply to 24x7, rework has been proposed in 39 villages. Of these, 22 have already been completed, and the remaining 17 are likely to be completed by July 2025. Respective SEs operation (OP) have also assured that necessary vigilance activities will be carried out in these areas to reduce losses and bring them within permissible limits, thereby enabling 24x7 supply.

**Reply by DHBVNL:**

DHBVNL submitted vide Memo No. Ch-74/SE/RA-788 dated 12.06.2025:

As on 30.04.2025, DHBVN has a total of 3666 villages under its jurisdiction. Out of these, MGJG related works have been completed in 3219 villages. Currently, 2517

villages are receiving 24x7 power supply, which constitutes approximately 68.66% of the total.

All Villages of 4 districts (Faridabad, Gurugram, Rewari & Sirsa) are receiving 24 hrs. Supply.

Another 702 villages where work has been completed as per guidelines of MGJG are on 16-hour power supply schedule. There are 447 No. of villages in DHBVN, where the work of MGJG Scheme is still pending.

Of these 447 pending villages, 94 are facing public resistance, and in 353 villages, the work is likely to be completed by 31.03.2026.

Furthermore, to upgrade the existing 16-hour supply to 24x7 rework/ vigilance activities has been proposed in 702 villages.

**Commission's Observation.**

**Partially Complied, more effort required for timely execution**

28. **Monitoring and Reporting of the Power Quality:** it was clearly mandated to install Power Quality meters at five locations but no report has been submitted by the Licensees till date, however, a period of around five years has been lapsed. DISCOMs are directed to submit report in compliance of the above within 3 months of issue of the order.

(Page 193)

**Reply by UHBVNL.**

UHBVNL submitted vide Memo No. Ch-136/RA/F-173/Vol-(15) dated 09.10.2025:

In this regard, it is submitted that the Bid documents for procurement of 5 No. Power Quality Meters (PQM) along with allied software through GeM Portal has been prepared and got approved from competent authority. The same has been uploaded on 06.08.2025 with Bid end date 26.08.2025 which has been extended to 08.09.2025 due to less participation of bidders. Besides above, a Pre-Bid meeting has also been organized on 28.08.2025 wherein issues on PQM have been discussed and resolved, ensuring better participation on 08.09.2025. Due to less participation in the bid, the GeM Portal auto extended the Bid upto 15.09.2025.

Further status shall be updated accordingly.

### Reply by DHBVNL.

DHBVNL submitted vide Memo No. Ch-190/SE/RA-788 dated 24.12.2025

In this regard, it is respectfully submitted that the proper communication regarding the detailed requirement of Power Quality Meters has been sent to the Procurement Wing of DHBVNL for initiation of the requisite procurement process. The matter is presently under consideration with the said Wing, and the procurement activities shall be undertaken in accordance with the applicable procedures and approvals.

Consequently, the installation and commissioning of the Power Quality Meters at the identified locations shall be carried out expeditiously upon completion of the procurement process by the competent authority.

### Commission's Observation.

#### Not Complied

29. DISCOMs are directed: -

a) to publish monthly data on reliability indices specified in Regulation 11.1 for each zone/circle/division/sub-division on their respective websites and submit report in compliance of the above within 2 months of issue of the order.

b) To submit 5 years proposal for annual target level of indices to be achieved by the licensee for consideration and fixing trajectory of indices, within 2 months. (Page 193)

### Reply by UHBVNL.

UHBVNL submitted vide Memo No. Ch-99/RA/F-173/Vol-(15) dated 21.05.2025:

a) It is submitted that the monthly data on Reliability Indices for each circle is being uploaded on the official website of UHBVN on a quarterly basis. A copy of the same for the 4<sup>th</sup> quarter of FY 2024-25 has been annexed with the filing.

b) The trajectory of SAIFI & SAIDI for the FY 2025-26 to FY 2029-30 is as under: -

| Category      | 2025-26              |             | 2026-27              |             | 2027-28              |             | 2028-29              |             | 2029-30              |             |
|---------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
|               | 1 <sup>st</sup> year |             | 2 <sup>nd</sup> year |             | 3 <sup>rd</sup> year |             | 4 <sup>th</sup> year |             | 5 <sup>th</sup> year |             |
|               | SAIFI (nos.)         | SAIDI hh:mm | SAIFI (nos.)         | SAIDI hh:mm | SAIFI (nos.)         | SAIDI hh:mm | SAIFI (nos.)         | SAIDI hh:mm | SAIFI (nos.)         | SAIDI hh:mm |
| Independent   | 12.81                | 07:39       | 12.17                | 07:16       | 11.56                | 06:54       | 10.98                | 06:33       | 10.43                | 06:14       |
| Industrial    | 24.48                | 14:19       | 23.26                | 13:36       | 22.09                | 12:55       | 20.99                | 12:16       | 19.94                | 11:39       |
| Mix Urban     | 14.06                | 08:47       | 13.36                | 08:21       | 12.69                | 07:56       | 12.05                | 07:32       | 11.45                | 07:09       |
| Rural DS (24) | 48.39                | 57:59       | 45.97                | 55:05       | 43.67                | 52:20       | 41.49                | 49:43       | 39.42                | 47:14       |
| Urban         | 33.63                | 17:29       | 31.95                | 16:36       | 30.35                | 15:47       | 28.83                | 14:59       | 27.39                | 14:14       |

### Reply by DHBVNL.

DHBVNL submitted vide Memo No. Ch-190/SE/RA-788 dated 24.12.2025

In this regard, the proposal for realistic trajectory for SAIFI & SAIDI (unplanned interruptions) for FY 2025-26 to 2029-30 is as under:

| Particulars | Unit                                  | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 |
|-------------|---------------------------------------|------------|------------|------------|------------|------------|
| SAIFI       | No. of Interruptions/Year/Consumers   | 54.65      | 51.15      | 48.07      | 45.37      | 42.94      |
| SAIDI       | Hours of Interruptions/Year/Consumers | 19.87      | 18.22      | 16.79      | 15.51      | 14.25      |

### Commission's Observation.

#### Complied with

30. While resorting to bidding or calling for expression of interest for power procurement the Discoms must ensure that the power under PPAs already approved by the Commission materializes and also the intra-State generator i.e. HPGCL's power plants are scheduled at least up to the critical minimum threshold before considering backing down. The DISCOMs are directed to perform cost benefit analysis including trade-off between purchase of REC and RE Power before rushing with proposal to procure RE Power. (Page 210)

### Reply by UHBVNL.

UHBVNL submitted vide Memo No. Ch-102/RA/F-173/Vol-(15) dated 28.05.2025:

Noted. HPPC schedule the power strictly on the basis of Merit Order Dispatch for the quantum approved in the PPA only. However, to reduce power purchase cost, URS power, if available from the sources approved under the PPA, is scheduled as per MOD. Further, to meet the peak demand in summer months, Ministry of Power allocates unallocated power of Central Generating Stations in Northern region to Haryana on our request, for which approval is sought from Hon'ble Commission from time to time. This power too, is scheduled as per MOD.

It is submitted that the bidding or Expression of Interest for power procurement, for short term, medium term or long term, is done only to meet the gap between Availability and Demand for such duration, after duly considering the available power under all the existing PPAs.

Further, HPGCL plants are being scheduled as per Merit Order Dispatch.



Further, it is submitted that as on date, RPO targets as set by the Hon'ble Commission have been achieved by Discoms. Further, as explained, in reply to directive no 3, to increase RE power in the total energy mix, the RE power when procured over and above the RPO targets, is accredited into RECs by NLDC, GOI .

**Reply by DHBVNL.**

DHBVNL submitted vide Memo No. Ch-74/SE/RA-788 dated 12.06.2025

Noted. HPPC schedule the power strictly on the basis of Merit Order Dispatch for the quantum approved in the PPA only, However, to reduce power purchase cost. URS power, if available from the sources approved under the PPA is scheduled as per MOD. Further, to meet the peak demand in summer months, Ministry of Power allocates unallocated power of Central Generating Stations in Northern region to Haryana on our request, for which approval is sought from Hon'ble Commission from time to time. This power too, is scheduled as per MOD.

It is submitted that the bidding or Expression of Interest for power procurement, for short term, medium term or long term, is done only to meet the gap between Availability and Demand for such duration, after duly considering the available power under all the existing PPAs.

Further, HPGCL plants are being scheduled as per Merit Order Dispatch. It is submitted that as on date, RPO targets as set by the Hon'ble Commission have been achieved by Discoms. Further, as explained above, in reply to HERC directive no 25, to reduce and increase RE power in the total energy mix, the RE power when procured over and above the RPO targets, is accredited into RECs by NLDC, GOI.

**Commission's Observation.**

**Complied with**

31. The Discoms and other obligated entities are directed to provide requisite information regarding RPO to the State Agency on monthly basis by 10th of every month for the previous month to enable the State Agency to submit quarterly report to the Commission. (Page 253)

**Reply by UHBVNL.**

UHBVNL submitted vide Memo No. Ch-102/RA/F-173/Vol-(15) dated 28.05.2025:

Noted.

It is submitted that HPPC provides its RPO status to HAREDA on monthly basis.

**Reply by DHBVNL**

DHBVNL submitted vide Memo No. Ch-74/SE/RA-788 dated 12.06.2025

Noted. It is submitted that HPPC provides its RPO status to HAREDA on monthly basis.

**Commission's Observation.**

**Complied with**

32. Accordingly, the Commission directs Discoms, to file a separate petition, in line with the ibid notification of the MoP, dated 14.06.2023, with a specific proposal for approval and implementation of ToD Tariff for the electricity consumers of the State other than AP consumers. The petition should be filed duly supported by the complete data of load curve in different time slots of the day and months. The consumer category wise consumption data for the proposed time slots, may be utilized in determining the ToD structure. Further, data/details such as Average Market Clearing Price during different months/time-slots, peak and off-peak hours, solar and non-solar hours etc., should also be provided. The proposal should also include the tariff for the peak/ off-peak /solar / non-solar hours and the impact of the ToD implementation on the load curve (daily and seasonal basis) as well as on the overall revenue. (Page 260)

**Reply by UHBVNL.**

It is submitted that smart meters are installed in only three districts of UHBVN. Therefore, implementing ToD tariffs across all consumer categories at this stage poses practical challenges. Furthermore, the implementation of ToD should be carried out in a manner that does not adversely impact the DISCOM's operational revenue. Hence, the preparation of a detailed and data-backed report will require additional time.

Analysis of Time-of-Day (ToD) slots wise information and corresponding load patterns has already been initiated. A comprehensive report in this regard is currently under preparation, and the necessary work has commenced. Once, all the information is received, a comprehensive report shall be submitted to the Hon'ble Commission.

**Reply by DHBVNL**

DHBVNL submitted vide Memo No. Ch-190/SE/RA-788 dated 24.12.2025

It is respectfully submitted that the study relating to the implementation of Time-of-Day (ToD) tariff is presently being undertaken jointly by both the DISCOMs and is under

progress. The Hon'ble Commission's direction in this regard is being duly complied with.

Upon completion of the study and after securing the concurrence of the competent authority/Government of Haryana, the petition along with the requisite report shall be placed before the Hon'ble Commission for its kind consideration.

**Commission's Observation.**

**Not Complied with. No petition/proposal filed yet.**

33. DISCOMs are directed to install smart meters, where connections are still unmetered. In case the DISCOMs are unable to do so, it may authorize the consumers accordingly, under intimation to the Commission. AP consumption shall also be metered by utilizing the meter replaced by smart meter. It should be ensured that no supply is un-metered. (Page 267)

**Reply by UHBVNL.**

It is submitted that the procurement/supply of smart meters by consumers alone does not suffice the smart metering-based billing. To authorize consumers to supply smart meters, the complete eco system/ technical solution for smart metering is required to be created in Discom. DHBVN on behalf of Haryana Discoms has already floated two no. tenders to create required IT framework (MDM application and IT Infra for HES) to support smart meters implementation. Moreover, the smart meters require activation through a communication channel & its regular maintenance and field support to rectify non-communication cases.

To onboard smart metering implementing agencies, NIT No. 45/SE/Projects/AMISP/2023-24 was floated in 4 packages (circle wise) for implementation of smart metering in Discom for all category of consumers except AP consumers.

The price bids for the tender were opened on 28.03.2025 & are being compared with other works awarded under RDSS. Packages C and D were dropped due to single bid qualified and same are re-floated on 03.04.2025. Project execution time is 2.5 years from date of award divided into two phases as under: -

- 1) Phase-I: - All Urban consumers & 3 Phase Rural consumers having sanctioned load more than 5 KW to be completed in 18 months from date of award.

- 2) Phase-II: - All single-phase Rural Consumers having sanctioned load less than 5 KW to be completed in 12 months after completion of Phase-I.

Upon installation of smart meters, the removed meters can be utilized for AP connections.

**Reply by DHBVNL.**

DHBVNL submitted vide Memo No. Ch-74/SE/RA-788 dated 12.06.2025

NIT No. 3/1T/AMISP/2023-24 was floated in 4 packages (circle-wise) for implementation of smart metering in Discom for all categories of consumers except AP consumers.

The price bids for the tender were opened on 09.04.2025. Packages A & B were dropped due to single bid qualified, and Packages D was also dropped as the bid submitted by M/s Linkwell telesystem Pvt. Ltd (L-1) is rejected due to supply of substandard meters having high defective rate in UPPCL and all three packages will be re-floated. Package C shall be referred to HPWPC (State) for negotiation. Accordingly, the tender of Packages C is expected to be awarded by July 2025 if negotiations is successful with bidders, and Phase I scheduled for completion by January 2027 i.e., 18 months from date of award and Phase II by January 2028 i.e., 12 months after completion of Phase-I.

Upon installation of smart meters, the removed meters can be utilized for AP connections.

**Commission's Observation.**

**UHBVNL:**

Not Complied (what is the issue in adding more meters to the systems already in place.)

**DHBVNL:**

Not Complied

34. The Commission directs that in the next ARR, the Discoms shall submit a tariff proposal as well; it may not necessarily be for increase or decrease in tariff(s) but for improvement in tariff design, reduction in the number of category / sub-category, re-alignment of demand / fixed charges etc. The present exercise is limited to re-alignment of the tariff applicable to various categories of consumers in Haryana, in order to bridge the revenue gap. (Page 270)

**Reply by UHBVNL.**

**UHBVNL submitted – No reply**

**Reply by DHBVNL.**

DHBVNL submitted vide Memo No. Ch- 127 /SE/RA-788 dated 13.08.2025

Noted. It is submitted that the tariff proposal shall be submitted along with the next ARR.

**Commission's Observation**

Not Complied with

35. The Commission directs the Discoms to conduct a detailed consumer category wise CoS study and submit the same for consideration and approval of the Commission within six months of this Order to enable the Commission to take a comprehensive view on the existing tariff and charges. (Page 270)

**Reply by UHBVNL.**

It is submitted to the Commission, the work for the same is in process. For the compliance of this directives, instruction regarding the required feeder data has been issued to all concerned vide Ch-09/XEN/EA-(90)/Vol-II dated 09.05.2025.

**Reply by DHBVNL.**

DHBVNL submitted vide Memo No. Ch-74/SE/RA-788 dated 12.06.2025

The consumer category-wise COS study will be submitted at the time of filing of ARR. However, the process to conduct the study will begin once the financial statements for FY 2024-25 are prepared by the concerned financial wing of the Nigam & are made available to this office.

**Commission's Observation.**

Complied with

**B. Directives issued in the present order:**

1. The discoms are advised to avoid unnecessary and unwarranted litigation to ensure development of the power sector and supply of electricity and efforts should be made to resolve inter-utility issues amicably. As directed by the Hon'ble Supreme Court, any appeal to it can only be on substantial question of law and frivolous litigation needs to be discouraged. You are also directed to analyse the litigation/legal expenses for the last 5 years and provide justification for the increasing expenses and create a mechanism/plan ensuring that Discoms do not file "unnecessary and unwarranted" appeals against CERC and APTEL orders, which create "constructive res judicata" (repeating legal arguments already settled).
2. **Terminal Liability-** The Discoms are directed to claim terminal liabilities based on actual values instead of claiming the same on the basis of actuarial valuation. Any aberrations can be trued up.

In this regard, Discoms are directed to provide, within three months from the date of issue of this order, total funds value in the trusts constituted to meet terminal liability as on 31.03.2026, annual return on these funds including return in the FY 2025-26 and terminal liabilities being met out of these funds on an annual basis.

Nevertheless, the increasing loans and higher interest cause financial distress to the discoms. Accordingly, the DISCOMs are directed to study, analyse and re-structure loans to minimize finance costs, ensuring that interest rates do not exceed prescribed norms with minimal guarantee fee, interest and finance charges. Loans carry higher interest rates often due to efficient operations or delayed debt restructuring.

3. However, in both UHBVNL and DHBVNL, it is observed that actual capital expenditure exceeds the allowed capital expenditure vide order dated 05.03.2024. The Commission allows the excess capital expenditure incurred by the DISCOMs as a one-time measure. However, the Commission strictly directs UHBVNL and DHBVNL to exercise caution and obtain prior approval from the Commission before exceeding the project-wise sanctioned capital expenditure in the future. Future capital investments must remain within the budgetary provisions and approved capital investment plans to ensure compliance with the MYT regulations.

4. The discoms are directed to diligently follow up with State Government and make all the efforts to receive the unpaid subsidy.
5. The Commission again directs DHBVNL to shift AP connections on segregated AP feeders at the earliest for proper accounting of AP sales. In view of the discrepancies in the AP sales figures, the Commission directs that the MD DHBVNL will check the figures of AP sales and input energy and submit a report on running of AP tube wells on non-AP feeders within one month of issue of this order besides reconciliation of figures as per order.
6. UHBVN and DHBVNL is directed to put more emphasis on the estimation and execution of the works to avoid deviations in the approved expenditure and timelines. The DISCOMs are directed to adhere to the Regulations meticulously.
7. the Commission approves the capital expenditure to tune of Rs. 2200.00 Cr. for FY 2026-27 and further directs the licensee to revise its capital expenditure plan accordingly and to submit the scheme wise details along with funding details of proposed expenditure to the Commission within one month from the date of issue of this Order. Both the licensees are further directed that they shall regulate their capital expenditure plans for FY 2026-27 as per Regulations 9.7 to 9.12 of the Haryana Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) Regulations, 2024.
8. The Committee observes that power purchase cost, including transmission charges, constitutes approximately 85% of the Aggregate Revenue Requirement (ARR) of the DISCOMs. Further, the Haryana Power Purchase Centre (HPPC), constituted under the orders of the Government of Haryana vide notification dated 11.04.2008 to operate under the single-buyer model for arranging power on behalf of the distribution licensees, is not being professionally managed, resulting in sub-optimal power procurement outcomes. It is also observed that substantial payments are being made to generating stations and booked as prior-period expenses, primarily on account of inaction or delayed action by HPPC, which has an adverse impact on tariff outcomes and ultimately imposes an avoidable burden on electricity consumers.

The Commission observes that in the past HPPC has proposed power procurement from various sources on short term, medium term and long term. All such proposals have come randomly. Whereas, in an ideal situation, in the first instance long term sources of power procurement should have been tapped. Subsequently, medium term power procurement should have been planned and lastly the left-over deficit should have been planned through short term sources.

Further, the Commission observes that HPPC purchased 6965 MUs of short-term power through competitive bidding during FY 2024-25, amounting to Rs. 4554 crore at an average rate of Rs. 6.54 per unit. In addition, 1050 MUs were procured on a short-term basis from the power exchanges, amounting to Rs. 596 crore, at an average rate of Rs. 5.67 per unit during the same period. At the same time, it is noted that HPPC sold 4721 MUs of power in the power exchanges during FY 2024-25, realizing Rs. 2248 crore at an average rate of Rs. 4.76 per unit. This reflects a situation where power was procured at relatively higher rates while surplus power was subsequently sold in the power exchanges at comparatively lower rates.

The Commission is of the view that such a trend warrants prudence in demand forecasting, power procurement planning, and portfolio optimization, so as to avoid situations where costly power is procured and surplus power is disposed of at lower market rates, thereby potentially impacting the overall power purchase cost and ultimately the tariff payable by consumers. Thus, HPPC needs to re-work on its power procurement strategy.

The Commission has also perused the 'Resource Adequacy Plan' dated December, 2025, prepared by 'Central Electricity Authority (CEA)', for the State of Haryana. The relevant extract of the same is reproduced below:-

*"Generally, surplus capacity is available with the state due to variation in electricity demand, RE availability etc. The pattern of surplus capacities has been observed as shown in Figure 12. From the figure below, it is observed that Haryana is expected to have a minimum surplus coal-based capacity ranging between 300 MW to 1700 MW during the period from August to March and April to May. This surplus capacity may be banked or shared with other states whose demand profile complements that of Haryana."*



The above observation indicates that Haryana is generally a power-surplus State, except during the months of June and July, and that too primarily during solar hours. It is also noted that power prices in the power exchanges during solar hours are generally lower, owing to higher availability of solar generation across the grid.

The Commission has consistently observed that the power procurement plans ought to be rigorously monitored so that the cost of delivered power can be reduced and that there is a need for restructuring and strengthening of Haryana Power Purchase Centre (HPPC) by deploying adequate staff so that it can work 24x7 basis. The Commission has also advised that expert agencies can also be appointed through transparent bidding process.

The Commission has considered the reply filed by DISCOMs that HPPC is in the process for engaging an agency after following the due process.

In view of the above, the Commission is of the considered view that power procurement planning and execution must be subjected to rigorous, continuous, and professional monitoring to ensure reduction in the cost of delivered power. Accordingly, the DISCOMs and HPPC are directed to:

- Comprehensively assess their demand–supply position and prevailing market conditions in power exchanges and bilateral markets before permitting simultaneous planned maintenance of generating stations;
- Restructure and strengthen HPPC, including deployment of adequate and competent manpower to enable round-the-clock (24x7) operations;
- Engage expert and professional agencies, wherever required, to support power procurement, scheduling, and trading functions;
- Undertake continuous monitoring of prices on power exchanges to enable timely substitution of high-cost power with cheaper alternatives, thereby improving responsiveness and cost efficiency in procurement planning; and
- Progressively increase the share of cost-effective renewable energy in the overall power mix, while duly addressing the technical and operational challenges associated with large-scale renewable energy integration, with the objective of

reducing power purchase cost without compromising quality and reliability of supply.

In this regard, an action taken report may be submitted within three months from the date of issue of this order.

9. Ministry of Power, Government of India, has issued operational guidelines to offer viability gap funding (VGF) to the extent of lower of 27 lakh/MW or 30 per cent of the capital cost, to facilitate the development of battery energy storage systems (BESS) capacity nationwide. Discoms need to take timely action to avail the opportunity and submit a concrete action plan to deploy at least 500 MWh (250 MWh each Discom) of BESS within the FY 2026-27, at its sub-stations, within three months from the date of issue of this order.

10. It was observed that there exists an average gap of about 3,000–5,000 MW between the maximum and minimum demand met on a daily basis. The DISCOMs have not adequately adopted Demand Side Management (DSM) measures to flatten the demand curve, including shifting of Agricultural Pump (AP) load to off-peak hours and solar hours of the day. Further, there is a need to roll out structured energy conservation schemes and undertake sustained consumer awareness campaigns.

Further, it was noted that the existing scheme of allowing Time-of-Day (ToD) tariff on incremental consumption has not been effective in flattening the demand load curve. The Discoms have submitted that they are implementing various measures in a phased manner—short-term and operational adjustments, medium-term system augmentation, and long-term structural reforms.

In this regard, the DISCOMs are advised to submit a detailed, concrete and time-bound action plan aimed at flattening the demand curve, covering DSM interventions, load-shifting mechanisms, energy conservation initiatives and movement in load curve shifted since the FY 2024-25, within three months from the date of issue of this order.

11. The Commission had directed discoms to assess their power demand /supply position as well as the prevailing market conditions in the power exchanges / bilateral sources and then only take an informed decision of allowing power generating station(s) to be simultaneously taken out for planned maintenance.

The Commission has considered the reply of the DISCOMs that HPPC has asked all the generators under long term and medium term PPA to provide their maintenance schedule for the control period FY 2025-26 to FY 2029-30. On the basis of the information received from the generators, a comprehensive maintenance schedule for the control period FY 2025-26 to FY 2029-30 will be finalized for the better demand-availability management.

In this regard, Discoms are directed to submit the schedule of maintenance allowed to the generators, with which it has long term power purchase agreements, for the control period from FY 2025-26 to FY 2029-30.

12. Receivables Management: The Commission in the previous ARR order dated 28.03.2025 has observed that total receivables of UHBVNL and DHBVNL, after provisioning, are reflected in the financial statements as on 31.03.2024 as Rs. 2059 crore and Rs. 4311 crore, respectively (Total: Rs. 6370 crore), as against the comparative figures as on 31.03.2023 as Rs. 583 crore and Rs. 2909 crore, respectively (Total: Rs. 3493 crore). Thus, trade receivables, have increased by an amount of Rs. 2877 crore during the FY 2023-24.

However, total receivables of UHBVNL and DHBVNL, as reflected in the financial statements as on 31.03.2025 as Rs. 2894 crore and Rs. 5398 crore, respectively (Total: Rs. 8292 crore). Thus, trade receivables, has increased by an amount of Rs. 1922 crore during the FY 2024-25. The receivable allowed as part of working capital in the regulatory regime is approximately Rs. 1500 crore, for each Discom. It shows that the receivables management and accounting of both the Discoms, needs a complete revamp.

The Commission has taken note of the following defaulting amount of Rs. 505.50 crore under court cases, pertaining to UHBVNL: -

| Detail of Category wise Court Case Defaulters |              |                   |                 |
|-----------------------------------------------|--------------|-------------------|-----------------|
| Sr. No.                                       | Category     | No. of Court case | Amount (In Rs.) |
| 1                                             | DS           | 2340              | 276615329.80    |
| 2                                             | Non-Consumer | 167               | 19131580.57     |

| Detail of Category wise Court Case Defaulters |          |                   |                 |
|-----------------------------------------------|----------|-------------------|-----------------|
| Sr. No.                                       | Category | No. of Court case | Amount (In Rs.) |
| 3                                             | AGRI     | 16                | 2825549.47      |
| 4                                             | AGRO     | 5                 | 2004335.94      |
| 5                                             | AP       | 61                | 10408170.31     |
| 6                                             | BS       | 9                 | 147542029.70    |
| 7                                             | NDS      | 732               | 346105806.10    |
| 8                                             | HT       | 132               | 3871334611      |
| 9                                             | LT       | 309               | 377482905.50    |
| 10                                            | PDCO     | 3                 | 1317349.00      |
| 11                                            | SL       | 1                 | 199222.00       |
| 12                                            | Theft    | 3                 | 99936.00        |
| Total                                         |          | 3778              | 5055066825.39   |

In this regard, Discoms are directed to exercise prudence in receivables management and ensure that outstanding from connected consumers, except the amount involved in court cases, does not exceeds its available ACD, at any point of time. Discoms are further directed to submit age-wise and consumer category-wise details of amount outstanding from consumers, except the amount involved in court cases, within three months from the date of this order. In case of disconnected consumers, the outstanding amounts needs to be adjusted against their ACD. Further, a complete recovery plan of its receivables, may be submitted by both the Discoms, within three months from the date of this order.

Electricity Consumers should be sensitized through various programmes for timely payment of their dues and reduction of theft.

13. Loss reduction: The Commission lounds the efforts of the DHBVNL in reducing Distribution Losses. However, a lot more is required. There is a need to shift the focus now from circles to feeders having high AT&C losses, for micro management.

All urban feeders having AT&C losses above 20% and that of Rural feeders above 40% Feeders, should be published on the website on monthly basis and efforts should be made upto the level of Board of Directors, to reduce losses on these feeders.

It is further observed that unmetered agricultural consumption stands at 2,158 MU in UHBVNL and 1,758 MU in DHBVNL, constituting approximately 9% and 5% of total sales, respectively. This is in contravention of the “Standard Operating Procedure for Subsidy Accounting and Payment” issued by the Ministry of Power, which mandates that No electricity connection shall be released without metering; and Energy supplied to subsidized consumers shall be assessed solely on the basis of measured energy.

Further, Government of India has approved the RDSS (revamped distribution sector scheme) to support DISCOMs in improving their operational efficiencies. One of the components on which RDSS Scheme focuses is Loss Reduction. Under this part, infrastructure strengthening works will include Aerial Bunch cables and HVDS (high voltage distribution system) for loss reduction, replacement of HT/LT lines as required, construction of new/ upgradation of substations, etc. is to be done. The Total sanctioned funds under RDSS for Haryana DISCOMs is Rs. 6,828 Cr. (accordingly to RDSS portal). DISCOM may utilize such funding and reduce the Distribution losses of such Circles/feeders.

In this regard, in order to rein in the efficiency, the Commission directs the DISCOMs to reduce AT&C losses of all urban feeders below 20% and that of Rural feeders below 40% in FY 2026-27.

In this regard, a status report may be submitted within 3 months from the date of this order.

14. The action plan for metering all unmetered agricultural connections, may be submitted within three months from the date of this order.
15. The Commission again directs the licensees to control the distribution transformer damage rate below the prescribed limits in the FY 2025-26. Any slippage on account of the limits prescribed shall be construed as violation/ non-compliance of the Regulations/Orders of the Commission. The licensees to work out a pro-active action plan to control the damage rate and submit a report on the progress within 3 months.
16. The DISCOMs are again directed to ensure that quarterly reports be submitted regularly without fail and to host the circle wise information of failure of the

distribution transformers in rural and urban category on its website regularly without fail.

17. DISCOMs are once again directed to clear the backlog of defective metering and to ensure that at no point of time the percentage of defective meters to the total number of meters in service exceeds 2% limit as per SOP regulations in vogue.

During the public hearings the consumers pointed out delayed action by the DISCOMs on testing of packed meters and replacement of the defective meters which is causing undue harassment to the consumers. The DISCOMs are directed to make a comprehensive action plan on the same to ensure action within stipulated time lines and submit the details within three months.

18. The Commission directs DISCOMs especially DHBVNL to replace all electromechanical meters shown pending for replacement and submit compliance report within 3 months from date of this order.

19. The Discoms are directed to make all out efforts to release all pending connections within the time frame as specified in various law/regulations in-vogue and submit a status report regarding release of Non-AP connections/loads, within three months from the date of this order.

20. DISCOMs are directed to Expedite balance work of MGJG to make compliance of the said Rule and submit report within two months.

21. DISCOMs are directed to submit report in compliance of the above within 3 months of issue of the order. DISCOMs are directed: -

c) to publish monthly data on reliability indices specified in Regulation 11.1 for each zone/circle/division/sub-division on their respective websites and submit report in compliance of the above within 2 months of issue of the order.

d) To review the proposal for target level of indices for 5 years to be achieved by the licensee for fixing trajectory of indices, within 2 months.

22. The Commission directs the DISCOMs to undertake a detailed CoS study to estimate the technical loss levels at each voltage level and compute the voltage wise cost of supply for FY 2025-26, given the fact that uniform tariff is determined for the State as

a whole, Discoms may arrive at the 'average consumer category wise and voltage-wise Cost of Supply', for the state as a whole.

23. The Discoms and other obligated entities are directed to comply with the RPO target as per the notification of the Ministry of Power and submit the requisite information to the State Nodal Agency on monthly basis by 10th of every month for the previous month to enable the State Agency to submit quarterly report to the Forum of Regulators (FOR) as well as to the Bureau of Energy Efficiency (Ministry of Power), under intimation to this Commission.
24. The discoms are directed to file the ToD/ToU petition after comprehensive analysis within 6 months from the date of this order.
25. The Commission directs that in the next ARR filing, the Discoms shall submit a comprehensive tariff proposal. Such proposal need not necessarily be limited to an increase or decrease in tariff, but should also address improvement in tariff design, rationalization of consumer categories/sub-categories, and re-alignment of demand/fixed charges, wherever considered appropriate. The proposal shall also clearly bring out the impact of such changes on a typical consumer across major consumer categories.
26. The Commission has noticed that the compliance of CGRF / Court orders is getting delayed. In this regard, Discoms are advised to expedite the compliance of such orders, public meetings/ Lok Adalat should be held by the senior officers at circle / division level. In case of delay in implementation of the orders of the Commission, the responsibility of the officers/officials should be fixed and It should be ensured that penalty/interest payable on account of such delay is recovered from such officers/officials.
27. In order to ensure the timely resolution of the complaints filed by the consumers, following directions are issued:-
  - i. 'Exception' reports should be generated for all the complaints with pendency exceeding 7 days, which needs to be rigorously followed-up by the XEN in-charge of the division, who shall be responsible for resolving the same within 7 days.

- ii. Pendency exceeding 7 days should be followed-up by SE in-charge of the circle, who shall be responsible for getting the same resolved within 7 days.
- iii. Pendency exceeding 21 days should be followed-up by Chief Engineer (Operations), who shall be responsible for getting the same resolved within 7 days.
- iv. For all the delays exceeding 1 months, Director (Operation) of the respective DISCOMs shall be responsible for getting the issue resolved within 7 days.
- v. Pendency exceeding 1 month should be discussed in the WTD meeting of the respective DISCOMs.

Where all the documents have been received at CBO from field office (SDO office) and still the issue has not been resolved at CBO within 7 days, then the XEN of the CBO office shall be responsible for consequences.

Further, the grievance of the consumers should not be pending at any level for more than two days.

28. The Commission observes that UHBVNL and DHBVNL have installed 5 lakh and 3.72 lakh smart meters, respectively. However, these are installed in the cities such as Panchkula, Karnal, Panipat and Gurugram, where the AT&C losses were already low.

In this regard, DISCOMs have informed that even in the areas such as Panchkula and Gurugram, smart meter deployment has resulted in reduction of losses from about 8% to nearly 4 %, while Faridabad has recorded losses of around 5 %.

The Commission is of the considered view that despite these encouraging results, the overall progress of smart meter installation is lagging behind the approved implementation schedule.

In this regard, the DISCOMs are advised to accelerate the pace of smart meter deployment and address the identified gaps including plan of installation of the same on high loss feeders/circles. An action taken report may be submitted, within three months from the date of issue of this order.

29. DISCOMs shall survey and install (if feasible) E-Vehicle charging stations in parking space available at Panchkula, Faridabad, Panipat, Karnal and Gurugram. It has also come to the notice that EV Charging station installed by UHBVNL in its Corporate Office



is not yet energized, resulting in non-utilisation of asset created out of state exchequer. UHBVNL is directed to energize the EV charging station within two months from the date of issue of this order.

30. It has come to the notice of the Commission that Transformers and other assets created by DISCOMs/HVPNL are under-utilized, which may entail tariff burden on the electricity consumers of the State on account of inefficient capital expenditure. DISCOMs are directed to submit the details of assets which are not utilized to the extent of 80% along with the reasons for such under-utilization/non-utilization.

Further, Discoms are directed to be careful in planning of infrastructure expansion. Further, a proposal to optimally utilise existing infrastructure may be submitted within three months from the date of this order.

31. The licensee(s) must ensure that consumers are paid interest on their Advance Consumption Deposits duly reflected in their energy bills for the relevant month i.e. bill(s) issued in the month of April / May.

32. The AP tubewell consumers who have applied for new connection upto 31.12.2023, for upto 10 BHP, shall be given the option to modify their application to enhance their load, without affecting their seniority. Such option shall be allowed for the period upto 31.05.2026, after giving wide publicity of the scheme, as a matter of last opportunity to such consumers. However, the consumers who have already availed Solar AP tubewell connection from HAREDA, are not eligible for this scheme of load enhancement.

33. The Commission observes that licensee (s) have shown their collection efficiency above 100% on account of clubbing of revenue collection of current year revenue as well as arrear recovery of previous years.

In this regard, in order to ensure accurate financial reporting, DISCOMs are directed to segregate current year revenue collection and arrear recovery of previous years. For the purpose of calculating collection efficiency, the revenue collection for the current year needs to be considered.

34. Any other directive issued in the present order shall be complied with by the Discoms in a time bound manner.

Accordingly, the Commission hereby directs the Distribution Licensees to submit a detailed status report indicating:

1. Measures and efforts undertaken to comply with the directives;
2. Progress achieved against the targets; and
3. Detailed reasons for non-compliance, if any.

The Commission shall examine the report and take appropriate action, including imposition of penalties, in accordance with the applicable regulatory provisions.

## ANNEXURE – C

### List of Intervenors

| Sr.No                                                          | Name & Address of Intervenor                                                                                |
|----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| <b>A. Objection received Public hearing in Panchkula (s/s)</b> |                                                                                                             |
| 1.                                                             | Sh. Suman Kumar Aggarwal, CA, Flat No. 108, GH-4, Sector-5, MDC, Panchkula                                  |
| 2.                                                             | Sh. Krishan Kumar Jindal, President (RWA)                                                                   |
| 3.                                                             | Sh. Akshay Gupta, Advocate                                                                                  |
| 4.                                                             | Sh. Gaurav Maheshwari, Vice President (IEX)                                                                 |
| 5.                                                             | Col. PK Sharma (Retd) (FIA)                                                                                 |
| 6.                                                             | Sh. S.K. Nayar, President (CWA)                                                                             |
| 7.                                                             | Sh. Pankaj Bhalotia                                                                                         |
| 8.                                                             | Prof. Sampat Singh, Former Power Minister, HR                                                               |
| 9.                                                             | Sh. Rajesh Kundu (Haryana Solar Association)                                                                |
| 10.                                                            | Sh. Deepak Maini, Chairman (PFTI)                                                                           |
| 11.                                                            | Sh. B.K. Aggarwal, DHBVNL                                                                                   |
| 12.                                                            | भारतीय किसान यूनियन हरियाणा, जींद                                                                           |
| 13.                                                            | Sh. Mahesh Kumar S/o Om Prakash Singh, Mohinder Garh (HR.)                                                  |
| 14.                                                            | Sh. Sumit Rao, President, GTA                                                                               |
| 15.                                                            | उमेश सिंह, मकान नं. 1274/3, रोहतक                                                                           |
| 16.                                                            | Power Foundation of India                                                                                   |
| <b>B. Objection received Public hearing in Gurugram (s/s)</b>  |                                                                                                             |
| 17.                                                            | Ashok Kohli , Coin Park, 283 Udyog Vihar, P-IV, Gurugram                                                    |
| 18.                                                            | Chaitali Mandhotra United Gurugram RWAs                                                                     |
| 19.                                                            | Rajesh Gupta , MIWA, Plot No. 69, Sector – 3, IMT Manesar Gurugram                                          |
| 20.                                                            | Virender Singh<br>1.Neel Metal Products Limited, Sector – 36, Gurugram<br>2.Jay Bharat Maruti Ltd. Gurugram |
| 21.                                                            | Rattan Pal Khatan<br>Plot No. 77,78 Rozka Meo Industrial Area Tehsil Nuh, Mewat, Haryana                    |
| 22.                                                            | Lt. Gen. Dr. S.P. Kochher ,COAI                                                                             |
| 23.                                                            | Sparsh , F2, GF, Suncity, Sector – 54, Gurugram                                                             |
| 24.                                                            | Sanjeev Sood ,Ordinary Resident                                                                             |
| 25.                                                            | Sachin Kalra , C1/29, FF, Ardee City, Sector – 52, Gurugram                                                 |
| 26.                                                            | Rakhi Aswal , C48/1 3 <sup>rd</sup> floor, Ardee City, Gurugram                                             |
| 27.                                                            | MPS Bora ,B79 FF, Suncity Sector -65, Gurugram                                                              |
| 28.                                                            | SK Negi , C15/7FF, Ardee City, Gurugram                                                                     |
| 29.                                                            | Vinay Malhotra , C-88, 2 <sup>nd</sup> Floor, Suncity, Sector – 54, Gurugram                                |
| 30.                                                            | Prodeep Ghosh , C-38, 3 <sup>rd</sup> Floor, Suncity, Sector – 54, Gurugram                                 |
| 31.                                                            | Himani Mittal , D-70, 1 <sup>st</sup> floor, Suncity, Sector – 54, Gurugram                                 |
| 32.                                                            | Ramesh Chugh , D-81, First Floor, Suncity, Gurugram                                                         |
| 33.                                                            | B.S.Yadav ,Hit Samiti, Gurugram                                                                             |
| 34.                                                            | Y.S. Yadav ,354, Sector -31 Gurugram                                                                        |

| Sr.No                                                   | Name & Address of Intervenor                                                                             |
|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| 35.                                                     | Priyesh Dagdi ,D76, FF, Suncity, Sec-54 Gurugram                                                         |
| 36.                                                     | Vijai Vir Singh Raghawa , 584/7 Urban Estate Gurugram                                                    |
| 37.                                                     | Mr. Anantha Padmanaban ,B-49, GF, Ardee City, Sector – 52, Gurugram                                      |
| 38.                                                     | Imperial Malts Ltd.                                                                                      |
| 39.                                                     | Vineeta Ahlawat ,D-98, Suncity, Sector -54, Gurugram                                                     |
| 40.                                                     | Ashish Khanna ,D-16, Suncity, Sector – 54, Gurugram                                                      |
| 41.                                                     | R.K. Gupta ,B-842, Palam Vihar, Gurugram                                                                 |
| 42.                                                     | Rajesh Sarna ,D-49, 3 <sup>rd</sup> Floor, Sec.54 Suncity, Gurugram                                      |
| 43.                                                     | Sandeep Sharma ,E-50, 1 <sup>st</sup> Floor Sector 54, Suncity, Gurugram                                 |
| 44.                                                     | Rattan Kapoor ,C-133, Sun City, Sec.54, Gurugram                                                         |
| 45.                                                     | Kuldeep Rana ,Suncity, RWA, Gurugram                                                                     |
| 46.                                                     | Sangeeta, E-70, GF, Suncity, Sector -54, Gurugram                                                        |
| 47.                                                     | Akhilesh Nair ,F-114, Sun city, Gurugram                                                                 |
| 48.                                                     | Major KJS Gurna ,E73,GF, Suncity Sector -54, Gurugram                                                    |
| 49.                                                     | Tarun Chandwani ,#249/7, Gurugram                                                                        |
| 50.                                                     | Ashok Kumar Goel ,E44, Suncity, Sector -54, Gurugram                                                     |
| 51.                                                     | Soumen Dutta ,E37, Second Floor, Suncity, Gurugram                                                       |
| 52.                                                     | Mohit Gandhi ,C-945, FF, Suncity, Sec. -54, Gurugram                                                     |
| 53.                                                     | Varun Jain , M11A/7AB, Second floor, M-Block, DLF P-2, Gurugram                                          |
| 54.                                                     | Kumud Vikas Chopra , #1682A, Housing Board Colony Sector -31, Gurugram                                   |
| 55.                                                     | Chandra Prakash Goyal<br>#1573, Housing Board Colony, Sector – 31, 32 A, Gurugram                        |
| 56.                                                     | Ankita Sahni ,Suncity Sector – 54, Gurugram                                                              |
| 57.                                                     | Rajiv Chaudhri , C1/25, DLF City, P-1, Gurugram                                                          |
| 58.                                                     | Mukul Swaroop ,C1/4 DLF, P-1, Gurugram                                                                   |
| 59.                                                     | Akshay Gupta, advocate                                                                                   |
| 60.                                                     | Kishan Loiwal , B-1, GF, Suncity, Sector -54, Gurugram                                                   |
| 61.                                                     | Neha Khatter , D-106, Suncity, Sector -54, Gurugram                                                      |
| 62.                                                     | Chiranjeev Dua, E82 FF, Suncity Sec54, Gurugram                                                          |
| 63.                                                     | Dr. Poonam Sharma, C-15 Suncity Sec 54, Gurugram                                                         |
| 64.                                                     | Justice Dharmesh Sharma, Sector 54, Gurugram                                                             |
| 65.                                                     | Parveen Yadav, D11/18m Basement Ardee City Sector 52, Gurugarm                                           |
| 66.                                                     | Sneha Dua                                                                                                |
| <b>C. Objections received Public hearing in Panipat</b> |                                                                                                          |
| 67.                                                     | Achal Bansal Bapoli, Panipat                                                                             |
| 68.                                                     | Anjana Garg Prop.Thirana Road, Assant Panipat                                                            |
| 69.                                                     | Abhitex Spinning Mills,G.T. Road, Pasina Kalan, Panipat                                                  |
| 70.                                                     | Armin Industries , Kheri Shahpur Israna                                                                  |
| 71.                                                     | Anil Bansal, Secretary , Woven Fabric Manufacturers Association, G.T. Road Panipat                       |
| 72.                                                     | Ram Charan, B.S. Spinners , Panipat                                                                      |
| 73.                                                     | Bir Bhan Singh, President<br>Industrial Area Manufacture's Association, E-40/41, Industrial Area Panipat |
| 74.                                                     | Bhushan Madaan , Panipat                                                                                 |

| Sr.No                                                 | Name & Address of Intervenor                                                        |
|-------------------------------------------------------|-------------------------------------------------------------------------------------|
| 75.                                                   | Bhim Sachdeva Panipat                                                               |
| 76.                                                   | Balaji Loomtex Pvt. Ltd. Nimbri Bapoli Road                                         |
| 77.                                                   | Dinesh Khurana Panipat                                                              |
| 78.                                                   | Deluxe Cotspin 0/3, Industrial Area, Panipat                                        |
| 79.                                                   | Elite Extiles , Opp. DAV Public School, Thermal Colony, Panipat                     |
| 80.                                                   | Gulshan Arora Panipat                                                               |
| 81.                                                   | Gulshan Lal G.G. Weavers Vidya Nagar Colony                                         |
| 82.                                                   | Guru Textiles Assandh Road, Panipat                                                 |
| 83.                                                   | H.R. Overseas Village Mehrsna, Panipat                                              |
| 84.                                                   | Harcharan Singh Dhammu , 58-A, Sector – 25 Part I, Panipat                          |
| 85.                                                   | Vinod Dhamija, Haryana Chamber of Commerce & Industry E-1, Industrial Area, Panipat |
| 86.                                                   | Jyoti Cottex Village Khundra, Matloda                                               |
| 87.                                                   | Joginder Khurana Panipat                                                            |
| 88.                                                   | Kanchan Dua Panipat                                                                 |
| 89.                                                   | Kapoor Industries Ltd. G.T. Road, Panipat                                           |
| 90.                                                   | Krishna International Panipat                                                       |
| 91.                                                   | M.K. Spuntex Pvt. Ltd , Sohana Road, Dahar, Panipat                                 |
| 92.                                                   | Panipat Industrial Association , Pasina Khurd Road, Panipat                         |
| 93.                                                   | Rajat Spinners Panipat                                                              |
| 94.                                                   | Ravinder Khurana Panipat                                                            |
| 95.                                                   | R.K. Sharma                                                                         |
| 96.                                                   | Sandeep Jindal Sector – 24, Panipat                                                 |
| 97.                                                   | Suresh Kumar Sardana Panipat                                                        |
| 98.                                                   | Satish Kumar Panipat                                                                |
| 99.                                                   | Suresh Jindal Panipat                                                               |
| 100.                                                  | Suresh Gupta Panipat                                                                |
| 101.                                                  | The Panipat Dyers Association Sector – 29 II, Panipat                               |
| <b>D. Objections received Public hearing in Hisar</b> |                                                                                     |
| 102.                                                  | Kusum Sharma ,                                                                      |
| 103.                                                  | Jindal Rolling Mills Pvt. Ltd. Hisar                                                |
| 104.                                                  | Parveen Kumar                                                                       |
| 105.                                                  | Parveen, Vice President                                                             |
| 106.                                                  | B.B. Pardhan, Ravindra Pipes                                                        |
| 107.                                                  | Mritunjay Chatterjee, DCM Textiles                                                  |
| 108.                                                  | Dr. Inderjeet Malik                                                                 |
| 109.                                                  | Kuldip, Quality Foils                                                               |
| 110.                                                  | Samser Singh Numberdar                                                              |
| 111.                                                  | Sansurya Infra Project                                                              |
| 112.                                                  | Ashok Kumar Taneja                                                                  |
| 113.                                                  | Prithvi Singh                                                                       |
| 114.                                                  | Ashok Kumar                                                                         |
| 115.                                                  | Ompati W/O Sh. Hoshiyar Singh                                                       |
| 116.                                                  | Raman Jain, President                                                               |

| Sr.No                                                        | Name & Address of Intervenor                                               |
|--------------------------------------------------------------|----------------------------------------------------------------------------|
| 117.                                                         | JNB Steel Industries Pvt. Ltd.                                             |
| 118.                                                         | Suncity RWA, Sector 54, Gurugram                                           |
| 119.                                                         | Rajesh                                                                     |
| 120.                                                         | Ram Mehar                                                                  |
| 121.                                                         | Dazzling PVC Industry                                                      |
| 122.                                                         | Radheshyam                                                                 |
| 123.                                                         | MCCI Textile Industries                                                    |
| 124.                                                         | MGGL Non-Woven Industries                                                  |
| 125.                                                         | Krishan Chander                                                            |
| 126.                                                         | Karmbir                                                                    |
| 127.                                                         | Satbir Singh                                                               |
| 128.                                                         | Mandeep Raja                                                               |
| 129.                                                         | Jindal Industries Pvt. Ltd                                                 |
| 130.                                                         | Amarjeet                                                                   |
| 131.                                                         | Santosh                                                                    |
| <b>E. Objections received Public hearing in Yamuna Nagar</b> |                                                                            |
| 132.                                                         | Kunjan Plywood Ind.                                                        |
| 133.                                                         | Jugal Kishore Bihani, President, Haryana Plywood Manufacturing Association |
| 134.                                                         | Rajender Bajaj, Udyog Vyapar Mandal, Haryana                               |
| 135.                                                         | Ballarpur Industries Ltd.                                                  |
| 136.                                                         | Anil Kumar, Sarpanch, GP Leda Khadar                                       |
| 137.                                                         | Raman Sajuja , Lamba Enterprises                                           |
| 138.                                                         | Ujjwal Agarwal, Anil Garg, Krishna Panels                                  |
| 139.                                                         | Unique Energos Pvt. Ltd.                                                   |
| 140.                                                         | Satish Kumar                                                               |
| 141.                                                         | Anil Garg                                                                  |
| 142.                                                         | Sky lark Farms                                                             |
| 143.                                                         | Nirmal Singh, GP Shahzadwala                                               |
| 144.                                                         | Parveen Kumar, GP Bahadurpur                                               |
| 145.                                                         | Alka Devi, GP Begampur                                                     |
| 146.                                                         | HSIIDC, Manakpur                                                           |
| 147.                                                         | Subhash Chand                                                              |
| 148.                                                         | S.L. Malhotra                                                              |
| 149.                                                         | Satpal Koushik                                                             |
| 150.                                                         | Stone Crusher Owners Association                                           |
| 151.                                                         | Chattar Singh                                                              |
| 152.                                                         | Sanjeev Choudhary, Amit Bansal                                             |

## **ANNEXURE – D**

### **Comments/Objections by Intervenors**

**1. Sh. Gaurav Maheshwari, Indian Energy Exchange (IEX)**

**Need to align 'RPO computation' with the recent MoP RCO Order dated 27.09.2025**

IEX requests aligning Renewable Purchase Obligation (RPO) calculations with the MoP notification of September 2025. They argue current methods incorrectly deduct RE and hydro power from total consumption for RPO targets . Per the MoP, RE obligations should be a percentage of total consumption excluding only nuclear power . IEX urges the Commission to adopt MoP's illustrative examples to ensure methodology consistency .

They request an amendment to the current methodology to align with these recent national regulations .

**Discoms Reply:**

Discoms note that the new HERC RE Regulations, 2025, only become mandatory from April 1, 2026 . For FY 2025-26, entities may choose between the MoP trajectory or the HERC 2021/2022 regulations . HPPC has formally opted to follow the HERC 2021 (2nd Amendment 2022) trajectory for FY 2025-26 . This flexibility accounts for the 18–24 month gestation period required for new renewable energy projects .

Discoms expect to achieve these specific RPO targets with a surplus through existing contracted capacities .

**2. Ms. Suman Kumar Aggarwal**

1. Fixed charges seems to be for meeting fixed expenses like administrative cost, interest on term loans for capital expenditure, depreciation etc. While fixing tariff rates such expenses shouldn't be considered. If it is not so, justification of fixed charges should be brought to the notice of public. Why burden of those consumer who don't consume minimum level of power units, be borne by other consumers? Based on sanctioned load wise consumer data, total collection of fixed charges should be calculated vis-a-vis fixed expenses.

2. It is requested a domestic consumer category of power load from 5 to 10 kw should be created by reducing maximum rate to 6.50 per unit.

3. Staffing pattern of distribution cost companies should be studied to top heavy posts, burden of which is being borne by common man.

4. Provisions of pensions should be reviewed after getting fresh actuarial valuations from some reputed valuer and same be checked with funds available with trusts for its payment. Group gratuity insurance policies be taken from insurance companies instead making provisions of payment thru trusts. Other retirement benefits with leave encashment etc. can be provided by calculating actual liability at year end minus already provided for up to previous yr.

**Discoms Reply:**

It is submitted that the fixed cost obligations of the DISCOMs constitute approximately 35%-40% of their total Aggregate Revenue Requirement (ARR)... (full explanation of fixed cost recovery, regulatory approval, and need for fixed charges as per MYT Regulations 2024).

2. It is submitted that determination and revision of consumer categories and applicable tariff rates fall within the jurisdiction of the Hon'ble Commission and any such change has revenue implications.

3. It is submitted that staffing pattern and employee expenses are examined by the Hon'ble Commission during ARR scrutiny. Only prudently incurred costs are approved after efficiency checks.

4. It is submitted that pension, gratuity and retirement benefits are provided as per accounting standards, actuarial valuation and regulatory prudence checks. Funding mechanism is an administrative decision, and only justified costs are passed in tariff.

**3. Sh. S.K. Nayar (Citizen's Welfare Association)**

1. As per Regulation 11.2 read with Regulation 73.1 (page 72 Chapter 4 of Petition), the petitioner is required to provide the data for information of the consumers about various categories of the tariff 73.1.2 e, f, g, h so that the stakeholders could examine critically the proposed tariff by the licensee for F/Y 2026-27. In the absence of tariff proposal category wise, the application/petition shall be considered as incomplete and shall be liable for rejection. The licensee may be directed to provide the deficient information before Public Hearing.



2. The following additional suggestions are also being given for worthy consideration of Hon'ble Commission.

(a) Tariff for all categories consists of two parts (fixed and variable). The fixed charges reflects the actual fixed cost incurred by the licensee. The variable (retail supply tariff) reflects the cost of supply for various categories of consumers. It is thus felt that fixed charges should be levied on all categories...

(b) As per Tariff Order of FY 2025-26. This disparity in the same Category (Domestic) not justified since the consumer has been feeling to be burdened due to paying higher charges for the same consumption.

**Discoms Reply:**

This is to submit that Aggregate Revenue Requirement (ARR) for the FY 2026-27 has been projected based on the provisions specified in the HERC MYT Regulations, 2024 for projecting financial and operational parameters...Further, this is to submit that UHBVN has been able to reduce its losses substantially over the past few years. UHBVN has significantly reduced the AT&C losses from 30.10% to 9.33% from FY 2015-16 to FY 2024-25.

It is submitted that tariff determination, including the structure of fixed and variable charges, is within the exclusive domain of the Hon'ble Commission under Section 62 read with Section 61 of the Electricity Act, 2003.

**4. Shri Pankaj Bhalotia**

The comments from the objector highlight several concerns regarding the transparency and fairness of the current electricity tariff structure. Specifically, the objector criticises the late issuance of Tariff Orders, which leaves utilities insufficient time for implementation, and argues that Fuel Surcharge Adjustments (FSA) should be merged into the main tariff rather than billed separately. There is also a strong emphasis on the perceived discrimination against Group Housing Societies and Bulk Supply (Domestic) consumers, who reportedly do not receive the same subsidies or rebates as regular domestic users despite bearing the costs of independent feeders, transmission losses, and maintenance. Furthermore, the objector claims that some domestic consumers have faced a drastic tariff increase of up to 156%, necessitating a rationalisation of the rates.

### **Discom Reply:**

In response, the Discoms assert that their financial projections and tariff petitions strictly adhere to HERC MYT Regulations 2024 and that the Fuel and Power Purchase Surcharge Adjustment (FPPSA) is a mandatory, dynamic tool for recovering fluctuating costs that cannot be removed without causing financial instability. They clarify that any subsidies or rebates are within the purview of the State Government, not the utility, and maintain that the independent feeder losses cited by the objector are actually minuscule. Regarding the alleged price hikes, the Discoms refute the 156% claim, stating that the actual increase in bills remains within a reasonable range of 4% to 10% across categories, designed to balance consumer affordability with the need to maintain the distribution system.

### **5. Shri Umed Singh**

1. 01/04/2025 से बिजली दरों में बढ़ोतरी करने का पूर्ण रूप से समर्थन करता हूँ, क्योंकि 2 वर्ष से कोई बढ़ोतरी नहीं की गई थी। लेकिन नई दरों अनुसार वृद्धि एक समान न करके कम व अधिक की गई है, जो न्यायसंगत नहीं लगती।
2. महोदय, एक समान यूनिट की खपत करने वाले उपभोक्ताओं से कम व अधिक राशि की वसूली की जाएगी, जिसको नीचे दी गई तालिका से समझा जा सकता है। इस असमानता का कारण यूनिटों की बजाय लोड को आधार मान कर बनाई कैटेगरी प्रतीत हो रहा है। मान्यवर, जब हर नागरिक को केवल एक वोट का अधिकार दिया गया है तो बढ़ोतरी भी एक समान ही करनी बनती है। अगर सरकार गरीबों को राहत ही देना चाहती है, तो बढ़ोतरी एक समान करने के बाद अनुदान दे सकती है।
3. महोदय, इस बारे में मेरे द्वारा आदरणीय मुख्यमंत्री महोदय से दिनांक 16/04/2025 को CM विंडो की मार्फत एक प्रार्थना पत्र दे बिजली उपभोक्ताओं के साथ होने वाली नाइंसाफी बारे निवेदन किया था, जिसका R.No. CMOFF/N/2025/036801 पर दर्ज कर उसी दिन इस टिप्पणी के साथ निपटारा कर दिया गया (Chief Minister Office Matter not related to CM Window. Kindly contact to concern authority / department)। इसके बाद मैंने दिनांक 28.04.2025 को उत्तर हरियाणा बिजली वितरण निगम से आग्रह किया लेकिन आज तक कोई उत्तर प्राप्त नहीं हुआ।

**30 दिन में की गई खपत यूनिटों की पुरानी और नई दरों के अनुसार तुलनात्मक तालिका**

| खपत यूनिट | पुरानी दर केटेगरी-I | पुरानी दर केटेगरी-II | पुरानी दर केटेगरी-III | नई दर केटेगरी-I  | नई दर केटेगरी-II  | नई दर केटेगरी-III  |
|-----------|---------------------|----------------------|-----------------------|------------------|-------------------|--------------------|
| 800       | लागू नहीं           | 5198.87 @ 6.49 pu    | लागू नहीं             | लागू नहीं        | 5461.52 @ 6.83 pu | 6425.42 @ 8.03 pu  |
| 301       | लागू नहीं           | 1458.37 @ 4.85 pu    | लागू नहीं             | लागू नहीं        | 1690.57 @ 5.62 pu | 2629.03 @ 8.73 pu  |
| 300       | लागू नहीं           | 1451.37 @ 4.84 pu    | लागू नहीं             | लागू नहीं        | 1428.42 @ 4.76 pu | 2621.82 @ 8.74 pu  |
| 100       | 239.50 @ 2.39 pu    | लागू नहीं            | लागू नहीं             | 259.90 @ 2.60 pu | 310.90 @ 3.11 pu  | 1132.00 @ 11.32 pu |

इस लिये इस बढ़ोतरी पर पुनः विचार कर सभी उपभोक्ताओं की दरों में एक समान वृद्धि की जाये। भले ही आर्थिक रूप से कमजोर वर्ग के उपभोक्ताओं को राहत देने के लिये सरकार से अनुदान दिलवाया दिया जाये।

#### Discoms Reply:

At the outset this is to submit that the issue raised by the objector is not pertaining with the Tariff Petition filed for FY 2026-27 and concerns with the matter of Review of Tariff Order of FY 2025-26. It is significant to highlight that for a continuous period of seven years, from FY 2017–18 to FY 2024–25, there has been no hike in Tariff for this consumer category, despite consistent escalation in input costs borne by the DISCOMs.

Further, it is submitted that tariff determination, including the structure of fixed and variable charges, is within the exclusive domain of the Hon'ble Commission under Section 62 read with Section 61 of the Electricity Act, 2003. While determining tariff, the Commission is mandated to be guided, inter alia, by the following, inc. others, Sections of the Electricity Act, 2003:

- Section 61(d) – safeguarding consumers' interest while ensuring recovery of the cost of electricity in a reasonable manner; and
- Section 61(g) – promotion of efficiency, economy and competition.

Non-levy of fixed charges on low-load domestic consumers under Category-I and Category-II (upto 300 units) has been approved by the Hon'ble Commission which is a deliberate social-economic intervention, may be intended to protect small and economically weaker consumers from fixed monthly financial burden.

Higher fixed charges for higher-load domestic consumers under Category-II and Category-III are cost-reflective, as such consumers:

- Require higher system capacity and network investment, and
- Contribute disproportionately to the fixed cost obligations of the distribution system.

The approved structure is a balance between consumer affordability and is fully consistent with the statutory framework. In this regard, it is pertinent to mention that the Electricity Act 2003 conferred powers to the Hon'ble Commission to differentiate the consumer tariff as per the purpose for which supply is required, among other factors. Relevant extract of the Electricity Act 2003 is as follows:

***"Section 62. (Determination of tariff):***

*(3) The Appropriate Commission shall not, while determining the tariff under this Act, show undue preference to any consumer of electricity but may differentiate according to the consumer's load factor, power factor, voltage, total consumption of electricity during any specified period or the time at which the supply is required or the geographical position of any area, the nature of supply and the purpose for which the supply is required."*

**6. Shri Sampat Singh**

The objectors raise significant concerns regarding the lack of transparency and operational efficiency within the Haryana Discoms, specifically noting that the utilities have failed to file voltage-wise and consumer category-wise Cost of Service studies despite regulatory directions. They argue that a substantial revenue deficit of over Rs 4,484.71 Crore has been projected for FY 2026-27 without a clear methodology to bridge the gap, following a previous year where a large tariff hike was allegedly allowed without sufficient public intervention. Furthermore, critics challenge the Discoms' Capital Expenditure (Capex) proposals, asserting they lack necessary payback details and cost-benefit analyses, while distribution loss targets are being set higher than previously achieved levels despite massive investments. There are also allegations of tardy receivables management, with total outstanding dues reaching Rs 6,370 Crore, and a preference for high-cost mid-term power purchase over more affordable renewable energy options.

**Discoms Reply:**

In response, the Discoms maintain that they have already submitted category-wise Cost of Supply (CoS) for FY 2024-25 and are addressing voltage-wise CoS in separate

legal proceedings. They explain that the current revenue gap is primarily due to unrecovered gaps from previous years where tariffs were not aligned with actual supply costs. The utilities defend their Capex as being essential for long-term system strengthening—such as network assets and IT systems—noting that these investments have already yielded a significant reduction in AT&C losses from 30.10% to 9.33% over the last decade. Additionally, the Discoms argue that their loss projections are realistic given the challenges of serving a vast geographical area with a high mix of agricultural and rural consumers. To improve financial health, they are implementing consumer-centric recovery schemes and plan to increase their renewable energy capacity by approximately 1,300 MW by FY 2026-27 to ensure more cost-effective power procurement.

## 7. **Bhartiya Kisan Union**

1. हम भारतीय किसान यूकनयन हररयाणा की तरफ से यह कहना चाहते हैं कि प्रदेश को आगे बढ़ाने के लिए आम जनता को सभी प्रकार की राहत दी जाए और कर्मचारियों को भी विचार-विमर्श के लिए बुलाया जाए। आदरणीय कमिशनर साहब, आपकी वाणी में प्रदेश के प्रति बहुत अच्छे विचार हैं। हमारी यूनियन भी आपके विचारों की सराहना करती है।
2. हमारे संगठन ने 28 साल तक संघर्ष करने के बाद अधिकारियों से विचार-विमर्श किया, जिससे प्रदेश में शांति और उन्नति आई। हमारे समझौते में 70,00,00,000 के समझौते से 60 और 65,00,00,000 की वसूली हुई, जिससे आम उपभोक्ताओं को राहत मिली।
3. हम चाहते हैं कि बिजली के रेट और खर्च जनता पर कम किए जाएं ताकि जनता की आमदनी बनी रहे और सरकार को भी लाभ मिले। पहले पानी से मिलने वाली बिजली सस्ती थी, लेकिन अडानी और कोयले से मिलने वाली बिजली ऊंचे रेट पर थी। सौर ऊर्जा को नई क्रांति कहा गया, लेकिन उसका खर्च भी ज्यादा बताया गया।
4. आज विभिन्न प्रकार की बिजली कम रेटों पर ज्यादा मात्रा में उत्पादित हो रही है, जिससे अधिकारी और कर्मचारी भी लाभान्वित हो रहे हैं। इसलिए हम चाहते हैं कि आपके विज्ञापन में जनता के प्रति नम्रता दिखाते हुए कार्य किया जाए।
5. अंत में, हमारे प्रदेश में उद्योगों पर 38%, गरीबों के घरों में 17%, किसानों के खेतों में 17%, कॉमर्शियल में 18% खर्च होता है। हमारे आंदोलन के बाद प्रदेश में करीब 200 मेगावॉट की चोरी पकड़ी गई और अब नाम मात्र की चोरी रह गई है। अन्य कमियों का संशोधन करके उनकी वसूली की गई।

6. हम आपसे प्रार्थना करते हैं कि आप के इस विज्ञापन पर नम्रता पूर्वक विचार करें

**Discoms Reply:**

At the outset this is to submit the submission made by the objector is not clear and precise to the point which defeats the purpose of submission made by the objector. This is further to submit that Aggregate Revenue Requirement (ARR) of FY 2026-27 has been computed strictly in accordance with the applicable MYT Regulations, 2024 based on realistic projections of demand, cost of supply and statutory obligations of the DISCOMs. ARR for the FY 2026-27 has been projected based on the provisions specified in the HERC MYT Regulations, 2024 for projecting financial and operational parameters. Revenue for FY 2026-27 has been proposed by considering the projected energy sales, as per the methodology approved by the Hon'ble Commission in past Tariff Orders and the existing retail supply tariff approved by the Hon'ble Commission in Tariff Order for FY 2025-26. Further, the Revenue Gap has been computed based on the difference between ARR and Revenue projected for FY 2026-27. The DISCOMs are committed to increase the Renewable Energy proportion in the overall Power Purchase portfolio and comply with the Renewable Purchase Obligation as specified by the Hon'ble Commission. In line with this commitment, the upcoming Renewable Energy capacity addition has been projected for FY 2025-26 and 2026-27 wherein around 1,300 MW is expected to increase in FY 2026-27 with respect to FY 2024-25 at a lower rate than the actual Average Power Purchase Rate of FY 2024-25.

**8. Sh. B.K. Aggarwal**

The stakeholder, B.K. Aggarwal, raises several concerns regarding the transparency and fairness of current billing practices, specifically questioning the accuracy of line loss calculations and the omission of a 4% rebate for 11 KV metering. He advocates for the separation of Bulk Domestic and Domestic categories to provide better clarity and suggests that the Fuel and Power Purchase Adjustment Surcharge (FPPAS) should be merged directly into the tariff rather than appearing as a separate charge. Furthermore, he alleges that fixed charge methods in certain regions are inconsistent with HERC regulations and points out a significant interest rate disparity, noting that consumers receive only a 2.6% interest rate on overpayments while being penalised with an 18% surcharge for delayed payments.

**Discoms Reply:**

In response, the Discoms maintain that their categorization of sales and tariff structures are strictly aligned with the prevailing regulatory framework approved by the Commission. They defend the FPPAS mechanism as a vital, legally recognized tool for recovering fluctuating costs—such as fuel and transmission charges—that are outside of their control, arguing that its removal would lead to severe financial strain and compromise power reliability. Regarding technical issues like voltage levels and delayed payment surcharges, the utilities state they must operate within the existing HERC Supply Code Regulations, suggesting that any revisions to these specific rules would require separate regulatory amendments rather than changes through the current petition.

#### 9. Mahesh Kumar

- 1) 11 KV बिजली की लाइनों का 55 साल बाद तक Maintenance न होना 11 KV बिजली की लाइनों में खराबी के कारण बार-बार फाल्ट हो जाते हैं, जिससे 8-10 घंटे आपूर्ति बंद रहती है, जिससे किसानों की Water sensitive crops damage हो जाती है, जिससे किसानों को आर्थिक नुकसान उठाना पड़ता है। किसी फीडर में तार 15 वर्षों में बदला जाता है जबकि किसी फीडर में 55 वर्षों बाद भी तार नहीं बदले जाते हैं, पारदर्शिता से लाइन का रखरखाव किया जाए।
- (2) वर्तमान में खड़ी की गई लाइनों के पोल व तारों में कमी है विभिन्न स्थानों में बिजली की नई लाइनों पर पोल सड़क के एक किनारे पर लगाए जा रहे हैं, जिससे सड़क टेढ़ी हो रही है और किसी दुर्घटना की स्थिति में Transformer आदि प्रभावित हो सकते हैं।
- (3) बिना किसी कनेक्शन के ट्रांसफार्मर लगे हुए हैं – DHBVN के ऐसे ट्रांसफार्मर हैं जो पिछले 15 वर्षों से Energized नहीं हुए हैं and are lying idle. The Commission in ARR order for the FY 2012-13 and the FY 2015-16 had sought a report in this regard but no action has been taken till date. The action taken report be made & available in the public.
- (4) ट्रांसफार्मर का नुकसान : Transformers get damaged due to lack of proper maintenance and to avoid the damage of transformer each transformer should have “Transformer maintenance Card” which should handed over to consumer. This will reduce the damage rate of transformers.
- (5) कृषि नलकूप कनेक्शन की Joint Ownership हेतु व्यवस्था बनाए : निगम की नीति में कनेक्शन की shifting के दौरान Basic Owner की मृत्यु हो चुकी है, परंतु “Change of name” कराने पड़ते हैं। Change of name में किसी दूसरे owner के नाम से होने पर ownership को लेकर विवाद हो सकता है। पंजाब में Joint Ownership का प्रावधान है।
- (6) Surcharge on Bills After due date : The amount of surcharge levied on a consumer if he deposits his electricity bill on day after due date and on any other day after due

date is the same. I suggest that the surcharge be imposed on a daily basis so that if a person pay early after due date, he pays less penalty.

(7) कृषि के नए कनेक्शन के संबंध में : किसानों को कृषि कनेक्शन उनकी भूमि की धारणा के अनुसार उपलब्ध करवाए जाएं। अगर किसी किसान के पास अपनी भूमि नहीं है और वह लीज पर भूमि लेकर खेती करता है, तो भी उसे कृषि कनेक्शन दिया जाए। जैसे हरियाणा में लगभग 60 वर्ष की आयु के बाद Old Age Pension दी जाती है, उसी प्रकार Farmer Id के आधार पर जिन किसानों की आयु 60 वर्ष से कम है, उनके लिए भी कनेक्शन जारी करने की व्यवस्था बनाई जाए।

(8) कृषि कनेक्शन पर RCO को लागू करें : निगम द्वारा कृषि कनेक्शन उपभोक्ताओं के पानी खत्म होने पर PDCO कर दिया जाता है, परंतु किसानों के कनेक्शन RCO करने पर दो साल की अवधि दी जाए। (9) कृषि कनेक्शन की supply का schedule तय करें : कृषि कनेक्शन की बिजली supply का schedule तय किया जाए, जिससे कि 24 घंटे में से 16 घंटे बिजली मिलती रहे और 24 घंटे में से 8 घंटे बिजली नहीं मिलती रहे ताकि fault होने पर उसे बाद में ठीक किया जा सके। अतः आपसे अनुरोध है कि उपरोक्त बिंदुओं पर नम्रतापूर्वक विचार किया जाए, जिससे किसानों के जीवन स्तर में सुधार हो सके व DISCOM को लाभ होगा।

**Discoms Reply:**

At the outset this is to submit that the submission made by the objector is administrative in nature and pertaining primarily to DHBVN. This is further to submit that the DISCOMs strive to comply with the Standards of Performance stipulated by the Hon'ble Commission with regard to Services provided to the consumers.

**10. Deepak Maini (PFTI)**

1. a) Revenue Gap of Rs. 3262 crores has been allowed in the Tariff Order dated 28.03.2025 and yet again, the DISCOMs have come up with another revenue Gap of Rs. 5262 crores in the present ARR petition filed on 27.11.2025. Thus, together it makes a Gap of around Rs. 8500 crores which the DISCOMs have pleaded for kind approval of the hon'ble Commission.
- b) If the DISCOMs continue to perform so dismally and instead of finding the root cause of such revenue gaps keep coming with huge losses in the hope that their gaps would yet again be allowed to fill in by the hon'ble Commission, then filing these ARR Petitions is as good as filing the Petitions for "Bailout Packages".
- c) The observations recorded by the hon'ble Commission in the order dated 28.03.2025, as also reproduced above, were very serious in nature if read in the right perspective. But it seems that DISCOMS have not taken note of these observations and have come



up with the present Petitions just by resorting to "Cut-n-Paste" from the previous years' petitions

**Reply Discoms:**

- a) At the outset, it is respectfully submitted that the revenue gap referred to by the objector pertains to distinct years and proceedings, determined and dealt with by the Hon'ble Commission under separate tariff exercises.

In terms of Sections 61 and 62 of the Electricity Act, 2003, and the MYT framework under the HERC MYT Regulations, the Aggregate Revenue Requirement, revenue gap or surplus is assessed year-wise, based on audited actuals, approved norms, and projections. The revenue gap allowed in the Tariff Order dated 28.03.2025 pertains to an earlier period and was determined by the Hon'ble Commission after due prudence check and consideration of all relevant factors.

The revenue gap projected in the present ARR Petition for FY 2026-27 is based on actual accounts for FY 2024-25, separate projections, assumptions, and regulatory inputs for subsequent years, placed before the Hon'ble Commission for independent examination. It is further submitted that Hon'ble HERC has allowed Rs. 3,262 crores with tariff hike, and the effect of the same shall be visible in upcoming years. However, FY 2024-25 being the year unaffected by the tariff hike, cumulative effect of increase in power purchase cost and increase in working capital due to deferred Fuel and Power Purchase Adjustment Surcharge (FFPAS) has resulted in the cumulative gap of Rs. 5,262 crores. Further, the revenue gap projection is subject to separate scrutiny, approval, modification, or disallowance by the Hon'ble Commission.

- b) It is respectfully submitted that such characterisation of "Bailout Packages" does not align with the statutory nature of ARR filings under the Electricity Act, 2003 and further makes the mockery of the whole ARR process.

In terms of Section 62 read with Section 64 of the Electricity Act, 2003, a Distribution Licensee is mandated to place before the Hon'ble Commission its Aggregate Revenue Requirement, based on incurred and projected costs, for tariff determination. Filing of ARR petitions is therefore a statutory obligation, not a discretionary exercise, nor a mechanism for seeking ad-hoc relief.

Further, the MYT framework is specifically designed to:

segregate controllable and uncontrollable factors; subject costs and performance to prudence check; incentivise efficiency and penalise inefficiency through regulatory mechanisms.

Accordingly, the ARR filing cannot be equated to, or construed as, a request for “bailout”, as no amount is recoverable unless and until allowed by the Hon’ble Commission after due regulatory scrutiny. The role of the Distribution Licensee is limited to placing facts, projections, and explanations on record, while the authority to determine the tariff impact rests solely with the Hon’ble Commission.

c) It is respectfully submitted that the observations recorded by the Hon’ble Commission in the Tariff Order dated 28.03.2025 are fully acknowledged and form an important part of the regulatory process.

However, it is submitted that:

Observations made by the Hon’ble Commission in a tariff order are contextual and advisory, intended to guide future regulatory action and operational improvement; Such observations do not operate as statutory findings that bar the filing of subsequent ARR petitions under the MYT Regulations.

The present Petition has been prepared in accordance with the procedural and substantive requirements of the HERC MYT Regulations, 2024, incorporating updated data, audited actuals, revised projections, and regulatory adjustments relevant to the period under consideration. The fact that statutory formats, regulatory heads, and structural elements remain consistent across years is inherent to tariff filings under a MYT regime and cannot be equated with mere repetition or lack of application of mind.

**2.** In the FY 2026-27 petition also, it is observed that the Discoms have projected a combined revenue deficit of over Rs 4484.71 Crore, without even suggesting a methodology to bridge the said gap. Such non-compliance ought to be taken utmost seriously and no tariff should be increased behind consumers back as done in the previous financial year.

**Discom Reply:**

It is submitted that tariff determination, including any tariff revision, is a statutory function of the Hon’ble Commission under Sections 61, 62 and 64 of the Electricity Act,

2003. The role of the Discoms is limited to placing factual and regulatory information on record, while the Hon'ble Commission determines tariff in accordance with the principle of cost-reflective tariffs, as mandated under the National Tariff policy supported by the Electricity Act, 2003.

Accordingly, the tariff approved for the relevant year is the outcome of the Commission's regulatory exercise, carried out in accordance with established regulations of HERC and as per the provisions of Electricity Act 2003.

d) In the order dated 28.03.2025, the Industry has been worst sufferer. It is probably the easiest thing for the DISCOMs to load Industry at the cost of other categories of consumers. ARR figures show that Industry with a consumption of 34% of the total consumption accounts for 52% of the total revenue of DHBVN whereas the Domestic category consumes 29% of the total consumption and accounts for only 23% of the total revenue. For how long the Industry would continue to subsidize other categories is not known.

e) HT Industry has been paying Rs. 8.17/unit against Rs. 4.41/unit being paid by the Domestic category. Similarly, the Bulk Supply Consumers are paying Rs. 6.25/unit. It can be seen from above that it is the Industry only which has been subsidizing heavily all other categories

**Reply UHBVNL:**

(d) This point specifically pertains to DHBVN.

(e) This is to submit that as per approved Tariff Order for FY 2025-26, the Energy charges for HT Supply ranges from 6.95 to 7.25 Rs/kVAh and the Energy charges for Domestic (category III) ranges from 6.50 to 7.50 Rs/kWh.

With respect to Cross subsidy this is to submit that the level of cross subsidy in the existing retail supply tariff structure is well within the range of +/- 20% of average cost of supply as specified in the Clause 8.3 (Tariff Design: Linkage of Tariff to the Cost of Service) of the National Tariff Policy, 2016. It is imperative that due to the concerted efforts of the Discoms the distribution losses have reduced consistently over the years

**DHBVNL Reply:**

At the outset, it is respectfully submitted that the structure of tariff and the extent of cross-subsidy among consumer categories are not determined by the Distribution

Licensee, but are fixed by the Hon'ble Commission in exercise of its powers under Sections 61 and 62 of the Electricity Act, 2003, read with the National Tariff Policy.

Section 61(g) of the Electricity Act, 2003 expressly recognises the existence of cross-subsidy and provides that tariff shall be progressively rationalised, taking into account consumer affordability, socio-economic considerations, and system costs. Accordingly, cross-subsidy levels are determined by the Hon'ble Commission after public consultation and cannot be unilaterally altered by the Discom.

The revenue contribution of different consumer categories, including industry and domestic consumers, is a direct consequence of the tariff approved by the Hon'ble Commission, and the Distribution Licensee merely implements the same. Any issue relating to the pace or extent of cross-subsidy reduction is therefore a matter of regulatory policy determination by the Hon'ble Commission, and not reflective of any selective loading by the Discom.

However, after the prayers of industrial and commercial consumers the Discoms have been advised by Hon'ble HERC to prepare an action plan for reduction in Cross-Subsidy Surcharge and the Discoms are in process of preparing the same.

At the outset, with regard to the comparison of average tariffs paid by different consumer categories, it is respectfully submitted that difference in per-unit tariff across categories is an inherent feature of a regulated tariff framework, duly recognised under the Electricity Act, 2003 and the Tariff Policy.

Tariff for each category is determined by the Hon'ble Commission considering factors such as cost of supply characteristics, load profile, voltage level, demand pattern, and cross-subsidy considerations. Industrial and bulk consumers typically receive supply at higher voltage levels with different demand characteristics, and tariffs are structured accordingly by the Hon'ble Commission.

The Distribution Licensee does not determine category-wise tariff rates and has no discretion to levy or modify tariffs independently. The rates paid by HT Industry, Bulk Supply consumers, and Domestic consumers are those approved by the Hon'ble Commission through tariff orders, after considering stakeholder views and statutory requirements.

3. f) Total Power Purchase cost of DHBVN (including Inter-state and intra-state Transmission Charges) is Rs. 24340.15 crores for 45143.23 MUS, which means a purchase rate of Rs. 5.41 per unit. Whereas Units sold are 35779.02 MUS which means a recovery rate of Rs. 6.80 per unit to meet the power purchase cost only. Thus, we must have a margin of more than Rs. 1.39 per unit to meet with all expenditures other than power purchase.

**Reply DHBVNL:**

At the outset, it is respectfully submitted that the differential between the purchase rate and the recovery rate does not represent surplus or inefficiency, but is required to meet other prudently incurred and regulatorily admissible costs of the Distribution Licensee. In this regard, it is submitted that an amount of Rs. 1,063 crore pertains to prior period expenses, which are uncontrollable in nature and arise due to crystallisation of liabilities pertaining to earlier years, recognised in accordance with the applicable regulatory framework.

Further, it is submitted that Haryana Power Purchase Centre (HPPC) continues to make sustained efforts to optimise power procurement cost, including refinement of demand forecasting, optimisation of procurement mix, and scheduling in accordance with merit order principles. A detailed plan outlining measures for optimisation of power purchase cost has already been placed before the Hon'ble Commission in the relevant proceedings for examination and consideration.

4. g) Total Aggregate Revenue Requirement for DHBVN is Rs. 28007.10 crores whereas the Revenue from all sources together is Rs. 24762.08 crores i.e. a Revenue Gap of Rs. 3278.54 crores

h) Because this revenue gap has to be recovered from the sale of power only, this can be filled in either by raising the average sale price by Rs. 0.91/unit or by lowering the purchase cost by Rs. 0.91 / unit

**Reply DHBVNL:**

At the outset, it is respectfully submitted that the Aggregate Revenue Requirement (ARR) and the revenue from all sources have been computed strictly in accordance with the provisions of the Electricity Act, 2003 and the HERC MYT Regulations, 2024. The resulting revenue gap is an outcome of the regulatory computation of ARR based on prudently incurred costs, approved norms, and projected parameters.

It is submitted that identification of a revenue gap does not, by itself, imply inefficiency or regulatory non-compliance. Under the MYT framework, such gaps are recognised, examined, and dealt with by the Hon'ble Commission through tariff determination and other regulatory measures, after due prudence check.

It is further submitted that no general tariff increase had been undertaken for several years, and a tariff revision was carried out only in FY 2025–26. The impact of such tariff revision on revenue realisation is inherently gradual and is expected to manifest over subsequent years through improved Average Revenue Realisation, which will be reflected in the true-up of the ensuing control periods.

DHBVN has been making sustained and honest efforts to contain and reduce the revenue gap through efficiency improvements, including reduction in distribution losses, improvement in collection efficiency, and optimisation of operational costs, all within the framework of the MYT Regulations.

In this context, it is respectfully submitted that the revenue gap may be considered by the Hon'ble Commission in accordance with the MYT framework, with due recognition of the fact that the cumulative impact of the approved tariff revision is expected to materialise in the upcoming true-up periods, thereby contributing to absorption and moderation of the revenue gap over the next few years.

5.
  - m) Revenue Gap of Rs. 5262 crores shown is actually Rs. 6013 crores but a Surplus of Rs. 721 crores during FY 2023-24 have been adjusted against this Gap to show the Gap at Rs. 5262 crores in the present petitions of DHBVN and UHBVN
  - n) If this gap is allowed by the hon'ble Commission to be offset by either hiking the tariff or by waiting for offsetting it by surpluses in the next years, it will be a big blow to the common consumers, especially the Industry.
  - o) If the DISCOMs have to come up with recurring losses year after year, and neither controlling the purchase cost nor reducing other expenditures, the submissions of ARRs itself will be of no relevance. These ARRs, if allowed to go ahead like this only, these will become simply the Bail Out packages instead of a serious attempt to make the business of power distribution self-sustainable
  - p) Just by citing that Fixed Charges and Tariff in other states are higher would not suffice. If the loss levels are actually those which have been claimed, there is no reason for the

DISCOMs to incur losses except that they have not been able to procure the power at reasonable rates

**Discom Reply:**

At the outset, it is respectfully submitted that the treatment of surplus and deficit across years has been carried out strictly in accordance with the MYT framework prescribed under the HERC MYT Regulations. Under the said framework, surplus or deficit of previous year is required to be adjusted while determining the revenue gap of subsequent years, subject to regulatory approval.

Accordingly, the surplus of Rs. 721 crores for FY 2023–24 has been appropriately adjusted against the revenue gap computed for the ensuing period, resulting in a net revenue gap of Rs. 5,262 crores as placed in the present petition. This adjustment is regulatory in nature and reflects the principle of inter-year balancing inherent in the MYT regime, and does not involve any discretionary treatment by the Distribution Licensee.

Further, it is respectfully submitted that the Distribution Licensees have placed the factual position regarding the revenue gap before the appropriate authority along with projections and efficiency measures.

The Discoms are presently in the process of formulating a recovery plan for addressing the revenue gap, which is not necessarily based on tariff revision alone, but also through efficiency gains, cost optimisation, and operational improvements. The impact of these measures is expected to accrue over time and contribute towards reduction and absorption of the revenue gap in the coming years.

Further, it is respectfully submitted that during the previous MYT control period, there were certain years in which revenue surplus was recorded. However, owing to non-revision of tariff and FPPAS over multiple years, the cumulative effect of cost escalation outpaced revenue realisation, resulting in the emergence of a revenue gap.

It is further submitted that pursuant to the tariff revision implemented for FY 2025–26, the resultant improvement in Average Revenue Realisation is expected to accrue progressively in the subsequent years of the current MYT control period. In this context, FY 2024–25 constitutes a transitional year, being immediately prior to the full impact of the tariff revision, and the revenue gap observed for that year is expected to be absorbed

and moderated through revenue surpluses in the ensuing years of the present MYT period.

It is further submitted that power purchase cost is largely influenced by factors at national level, including fuel prices, generation mix, and market conditions, and therefore remains broadly comparable across the country. The primary variations across Distribution Licensees arise from infrastructure-related factors, such as network topology, consumer mix, voltage levels, and historical asset base, which differ from State to State.

It is respectfully submitted that the approach of selectively relying upon performance figures of other States for comparison with Haryana, while simultaneously contending that fixed charges and energy charges of other States cannot be relied upon for benchmarking, is internally inconsistent and untenable. Such selective comparison does not accord with a uniform or objective benchmarking methodology.

It is further submitted that, under the Electricity Act, 2003, tariff determination is required to be cost-reflective and specific to the approved cost structure and operating conditions of each Distribution Licensee. Accordingly, inter-State comparisons must be applied consistently, if at all, and cannot be invoked selectively to draw adverse inferences.

It is further submitted that HPPC, the power procurement cell of the DISCOMs, oversees the same for the whole state and optimizes the power purchase on the basis of energy availability and cost effectiveness and shall maintain the same endeavour for upcoming years.

## **7. MID YEAR REVIEW FOR FY 2025-26**

- a) Surplus revenue has been estimated during FY 2025-26 whereby the power purchase cost has been estimated to remain at Rs. 5.03 /unit
- b) If the power purchase cost is not contained within the above estimated rate or if the Distribution losses are not reduced, again the DISCOMs will come up with Revenue Gaps demanding yet another hike in the tariff in the next year's petition

## **TARIFF DETERMINATION FOR FY 2026-27**

- a) Surplus revenue has been estimated during FY 2026-27 whereby the power purchase cost has been estimated to remain at Rs. 4.86/unit



b) If the power purchase cost is not contained within the above estimated rate or if the Distribution losses are not reduced, again the DISCOMs will come up with Revenue Gaps demanding yet another hike in the tariff in the next year's petition

**Discom Reply:**

It is respectfully submitted that the power purchase cost for FY 2025–26 has been projected at Rs. 5.03 per unit based on a detailed and reasoned methodology. The revised estimates of power purchase cost for FY 2025–26 have been computed on the basis of power purchase quantum arrived at using the average Plant Load Factor (PLF) of existing generating stations over the last five years. Further, upcoming generating plants expected to be commissioned in H2 of FY 2025–26 have also been considered, with power purchase quantum projected using normative PLF, in accordance with the applicable regulatory framework.

It is submitted that the above projections have been prepared prudently and conservatively, and the Distribution Licensee shall continue to make efforts to optimise power procurement and contain purchase costs, consistent with grid security and contractual obligations.

It is further submitted that, pursuant to the tariff revision implemented in FY 2025–26, improved revenue realisation is expected to accrue progressively in the ensuing years, and accordingly, revenue surplus has been projected in the upcoming years, subject to actual performance and regulatory assessment under the true-up process.

8. It can be seen that in terms of percentage, the power purchase Cost has remained around 85% of the total expenses except in the year 2022-23, when the power purchase in DHBVN Crossed 90% of the total expenses. The hon'ble Commission also observed categorically in its order dated 28.03.2025 that there was a *“need for a more scientific demand forecasting which in turn will lead to cost-effective power procurement planning by Haryana Discoms.”* Thus, apart from inflationary pressure - the Haryana Discoms are plagued with ineffective power procurement as noted by the Ld. Commission and yet the burden of inefficiency and poor linkage of long-term power on the part of DISCOMs has been passed on into the tariff design by shooting up the fixed charges and tariff for all the categories of consumers, specially the Industrial and Commercial consumers. This renders the Tariff Order dated 28.03.2025 apparently questionable.

The hon'ble Commission also said in the order that there was scope for the DISCOMs to procure power more effectively and efficiently which leads to an inevitable conclusion that the DISCOMs are capable to meet the rise in power purchase cost by minimizing inefficiencies rather than passing on the burden through ARR onto to the electricity consumer in the State. But at the same time, by giving such an unaccounted relief to the DISCOMs by the hon'ble Commission through such bailout packages would further strengthen the belief in DISCOMs not to improve upon and not to reduce the operating costs.

**Reply UHBVNL:**

Point (C) specifically pertains to DHBVN.

With regard to the optimization of power purchase costs, the following measures are being undertaken to shift peak load to off-peak hours, thereby reducing dependence on short-term power purchases.

**Shifting maximum Agriculture (AP) load** to daytime or off-peak hours through appropriate PRMs from time to time to utilize the available solar tied up capacity

**Installation of Battery Energy Storage Systems (BESS)** at substations and generation stations in a phased manner, based on land availability and grid connectivity

**Substation Augmentation:** Planning is underway to augment the capacity of existing substations and create new substations where loading exceeds 70%

Further, the DISCOMs are committed to increase the Renewable Energy proportion in the overall Power Purchase portfolio and comply with the Renewable Purchase Obligation as specified by the Hon'ble Commission. In line with this commitment, the upcoming Renewable Energy capacity addition has been projected for FY 2025-26 and 2026-27 wherein around 1,300 MW is expected to increase in FY 2026-27 with respect to FY 2024-25 at a lower rate than the actual Average Power Purchase Rate of FY 2024-25.

**DHBVNL Reply:**

It is respectfully submitted that power purchase cost constitutes a dominant component of total expenditure for all distribution licensees, and its share in overall cost is influenced by factors such as demand profile, fuel prices, market conditions, and grid security requirements. The higher proportion of power purchase cost during FY 2022-23

was an outcome of extraordinary sectoral conditions, including elevated fuel prices and market volatility, which affected utilities across the country.

With respect to the observation of the Hon'ble Commission regarding the need for improved demand forecasting, it is submitted that such observations are advisory and forward-looking, intended to guide continuous improvement in procurement planning. Demand forecasting and power procurement are dynamic processes, particularly in Haryana where system demand fluctuates significantly, both seasonally and intra-day, due to agricultural load patterns, weather conditions, and industrial demand.

It is further submitted that tariff design, including fixed and energy charges, is determined by the Hon'ble Commission under the Electricity Act, 2003, after considering prudently incurred costs, system requirements, and stakeholder inputs and subsidized categories. The Distribution Licensees do not unilaterally design tariffs, and therefore any implication that inefficiencies have been directly passed on through tariff design does not accurately reflect the regulatory process governing tariff determination.

It is respectfully submitted that power procurement planning must balance cost efficiency, reliability, and grid security. Haryana's electricity demand is characterised by significant fluctuation, typically ranging between 4,000 MW to 5,000 MW, necessitating a mix of long-term power purchase agreements to meet base and latent demand, along with short-term procurement to address immediate and peak demand variations.

Short-term procurement is undertaken to manage such variability and ensure uninterrupted supply, and cannot be avoided without compromising system reliability. At the same time, it is submitted that Haryana Power Purchase Centre (HPPC) continues to make sustained efforts to optimise the power procurement portfolio, including scheduling under merit order, rationalisation of procurement sources, and alignment of long-term and short-term procurement in the interest of cost containment.

It is further submitted that observations of the Hon'ble Commission regarding scope for improved efficiency are part of the regulatory oversight mechanism, and such observations are being addressed through ongoing improvements in forecasting, planning, and procurement practices. The ARR submissions place all relevant facts and projections before the Hon'ble Commission for examination, and do not pre-determine

or guarantee any cost recovery, as all elements remain subject to regulatory scrutiny under the true-up process.

9. It is pertinent to point out here that consumers of the state and specially the Industrial consumers have been subjected to hike in tariff and the fixed cost to bear the total inefficiency and inability of the DISCOMs to perform and procure power at cheaper rates, their incapacity and inefficiency to forecast correctly and to enter into long term PPAs instead of buying power through medium or short terms PPAs.

**Discom Reply:**

At the outset, it is respectfully submitted that the increase in tariff and fixed charges applicable to consumers, including industrial consumers, is not attributable to any inefficiency or incapacity on the part of the Distribution Licensees, but is an outcome of the statutory tariff determination process based on prudently assessed costs.

It is further submitted that power procurement planning necessarily involves a balanced mix of long-term, medium-term, and short-term sources, particularly in a system such as Haryana where demand exhibits significant variability and uncertainty. Long-term power purchase agreements are essential to meet base and latent demand, while medium-term and short-term procurements are operationally required to manage demand fluctuations, seasonal peaks, and real-time balancing requirements.

The Distribution Licensees, through the Haryana Power Purchase Centre, are making continuous and bona fide efforts to optimise power procurement, improve demand forecasting methodologies, and sustain economically efficient power purchase, while ensuring reliability and grid security. The objective remains to contain power purchase costs to the extent feasible within the prevailing market and regulatory environment.

Accordingly, tariff adjustments reflect regulatory cost recognition rather than any transfer of inefficiency, and the Licensees continue to undertake measures aimed at improving operational efficiency and procurement optimisation in the interest of consumers.

**11. Krishan Kumar Jindal, (RWA)**

The petition no.94 filed by Uttar Haryana Bijli Vitran Nigam is not complete in its entirety. They have not mentioned category wise tariff for the FY 2026-27 in it, which is the most important factor for consumers to file /lodge objections. I would like to draw your

attention that UHBVN itself has mentioned in para no. 73.1.1 of the petition that it is necessary to mention about tariff in the Petition/AAR. The relevant part of this paragraph is reproduced as follows;

Para 73.1.1

*“The generating company and the licensees shall file an application for approval of AAR for their respective businesses for each year of the control period and tariff for the first year of the control period consistent with the business plan and the capital investment plan approved by the Commission. The AAR and tariff filing shall be filled by 30th November of the year preceding the 1st year of the control period along with requisite fee in accordance with the provision of Haryana Electricity Regulatory Commission”*

Hence, in the absence of category wise tariff for the FY 2026-27, no domestic consumer is able to lodge objection in an effective and transparent manner. I think, UHBVN is trying to get approval from the commission to change things at its end. The prevailing tariff which is already implemented by UHBVN for domestic consumers is grossly discriminatory and not in accordance with Article 14 of the Constitution. Sir, I would also like to draw your attention to the facts that a private company is supplying electricity in Chandigarh, which has been implemented

(Chandigarh is also the capital of Haryana) a very transparent tariff without any discrimination among the domestic consumers in which there is a provision to charge a fixed charge of Rs 30 per kilowatt equally from all the domestic consumers and also the tariff table has been applied uniformly.

In view of the above situation, I humbly request you to issue necessary directions to UHBVN for filing petitions with clear proposal of tariff for the FY 2026-27 which is applicable on consumers and enable the consumers to file /lodge objections in an effective, comprehensive and transparent manner. I shall be highly grateful to you.

**DHBVNL Reply:**

This is to submit that the projected revenue gap of Rs. 4484.71 Crore for FY 2026-27 has been computed strictly in accordance with the applicable MYT Regulations, 2024 based on realistic projections of demand, cost of supply and statutory obligations of the DISCOMs. Tariff determination by the Hon’ble Commission is an outcome of Bridging the revenue gap.

The Tariff revision approved by the Hon'ble Commission in FY 2025-26 is after FY 2017–18, after a gap of seven years, despite a consistent rise in power procurement costs and operational expenses. It is highlighted that the ability to keep tariffs unchanged for nearly a decade was made possible due to enhanced operational efficiency and strict financial discipline. Haryana's earlier fixed charge structure had remained significantly below cost-reflective levels, leading to under-recovery of distribution costs and cross-subsidization distortions.

The revision in fixed charges approved by Hon'ble HERC for FY 2025-26 is both rational and consistent with national regulatory trends. These charges are levied in accordance with the principles laid down in the MYT Regulations, 2024 and are based on the sanctioned load, which reflects the contracted capacity required to be maintained for each consumer. Even in cases of low or nil consumption, the distribution network and capacity must be continuously maintained to ensure reliable supply. Non-recovery of such fixed costs would lead to accumulation of revenue gaps and adversely affect the financial viability and sustainability of the DISCOMs.

Also, it is pertinent to note that, in Haryana, the maximum fixed charge is Rs. 75 per kW per month. Whereas, in contrast, the maximum fixed charges rate vary across states. In Punjab, it is Rs. 140 per kW per month, while in Uttar Pradesh, the applicable fixed charge is Rs. 110 per kW per month. In Rajasthan, consumers are required to pay a fixed charge of Rs. 800 per connection per month, whereas in Maharashtra, the fixed charge is Rs. 130 per connection per month. In Delhi, the maximum fixed charge applicable to domestic consumers is Rs. 250 per kW per month.

## **12. Akshay Gupta**

### **Comments and reply by discoms:**

Objectors raise significant concerns regarding the transparency of energy sales, specifically noting missing data for Gaushalas and industrial categories like Steel Furnaces, while also challenging the 10.26% distribution loss level as being artificially inflated due to poor accounting of independent feeders and surplus solar units. They further allege a loss of approximately Rs. 300 to 500 Crore due to the non-recovery of service connection charges from private consumers, alongside inefficiencies such as stolen infrastructure from idle lines and unverified spending on "Power Factor

Improvement correctors". Additionally, stakeholders argue that the Discoms' failure to annually review Consumer Security Deposits (ACD) has forced an unnecessary reliance on high-interest external borrowings, thereby inflating the Interest on Working Capital. In response, the Discoms assert that all sales and loss figures are derived from audited annual accounts and that category-specific data is already included within broader summary tables. They maintain that Capital Expenditure and working capital calculations strictly follow the HERC MYT Regulations, emphasizing that individual consumer-level recovery issues or internal administrative lapses are extraneous to the formal Aggregate Revenue Requirement (ARR) proceedings.

Regarding procurement and pricing, stakeholders question the high-power purchase costs, specifically criticizing charges paid to CTU and NLDC despite zero energy drawl and alleging that solar procurement figures do not reconcile with ground-level Joint Meter Readings (JMRs). They advocate for a return to the 2017-18 Time of Day (TOD) tariff to utilize surplus power within the state and call for a rationalisation of the MDI penalty and Late Payment Surcharge (LPSC), which they describe as "excessive" and "outdated" compared to current market lending rates. Objections are also raised against the 17.97% increase in Administrative & General (A&G) expenses, citing irregular vehicle payments and unnecessary meter-reading costs in a digital era. The Discoms counter these points by explaining that transmission charges (CTU/NLDC) are statutory fees for grid access independent of energy flow and that solar accounting is based strictly on authenticated JMR data. They clarify that TOD structures, LPSC rates, and MDI penalties are part of the Commission's broader regulatory policy and cannot be modified through the current petition, while A&G increases are justified by an expanding consumer base and necessary digitisation initiatives.

**13. Col. PK Sharma, Faridabad Industries Association**

FIA submitted that the distribution licensees violated Section 64 of the Electricity Act 2003 by failing to file a formal application for tariff determination, instead only submitting petitions for True-up and Annual Revenue Requirements (ARR), which they claim makes the recent tariff increases legally invalid. A major point of contention is the Discoms' persistent failure, spanning over a decade, to submit voltage-wise and consumer category-wise Cost of Service (CoS) and AT&C loss data despite repeated

directives from HERC and the Appellate Tribunal for Electricity (APTEL). Critics argue this lack of granular data hides true supply costs, perpetuates arbitrary cross-subsidisation, and undermines transparency in calculating surcharges. Furthermore, stakeholders challenge the omission of a comprehensive Capital Investment Plan and Business Plan from the public domain and criticise the continued reliance on "allocation statements" rather than actual segregated accounts for wheeling and retail businesses.

Regarding financial efficiency, stakeholders highlight a lack of integrated planning in power procurement, specifically the reliance on expensive medium-term power (averaging Rs. 5.90/kWh) over cheaper solar or long-term options. They also demand the cessation of the "illegal" recovery of 47 paise/unit as Fuel and Power Purchase Adjustment Surcharge (FPPAS), noting that Discoms have failed to adhere to the prescribed (n+2) month recovery timeline. Concerns are raised over a projected revenue gap of Rs. 4,484.71 Crore for FY 2026-27, presented without a clear bridging mechanism, alongside doubts regarding the reliability of the Rs. 7,214.36 Crore state subsidy figure. Finally, industries argue they have been unfairly burdened by cross-subsidies for decades, while Agro/FPO tariffs remain below the actual Cost of Service, unfairly shifting costs onto commercial and industrial consumers.

### **Discoms' Replies**

In response, the Discoms assert that the Commission possesses Suo-moto powers to design tariffs based on its regulatory wisdom and that all filings strictly follow the HERC MYT Regulations 2024. They maintain that the tariff revision was a necessary measure to ensure the financial viability and long-term sustainability of the utilities as essential service providers. Regarding CoS studies, the Discoms clarify that category-wise CoS for FY 2024-25 has already been submitted and they are addressing voltage-wise data for levels above 33 kV in separate legal proceedings. They explain that structural divisions between distribution and transmission entities have historically limited data access, but they are making ongoing efforts through IT upgrades and consumer indexing to improve data granularity as part of an "evolutionary approach".

The utilities defend their procurement strategy, stating that they strictly follow Merit Order Dispatch (MOD) and that medium-term power is essential for maintaining grid reliability and meeting demand. They argue that power purchase cost variations are



uncontrollable and are appropriately addressed through the statutory true-up mechanism, while renewable energy is already prioritised to the maximum extent technically possible. The Discoms justify the 47 paise/unit FPPAS as a vital tool for liquidity and note that the Commission has previously allowed for relaxed billing timelines to avoid tariff shocks to consumers. They maintain that cross-subsidy levels remain within the +/- 20% limit mandated by the National Tariff Policy and suggest that any future projected surplus could be utilised to reduce accumulated losses or provide future tariff reductions.

**14. Sh. Rajesh Kundu, (Haryana Solar Association)**

**1. Introduction and Overview of PM Surya Ghar: Muft Bijli Yojana**

The PM Surya Ghar: Muft Bijli Yojana, launched by Govt. of India in February 2024 with an outlay of ₹75,021 crore till FY 2026–27, targets installation of rooftop solar systems in 1 crore households, enabling up to 300 units of free electricity per month via net metering.

Central Subsidy Structure:

- ₹30,000 per kW for the first 2 kW (₹60,000 for 2 kW systems).
- ₹18,000 per kW for capacity beyond 2 kW up to 3 kW (maximum ₹78,000 for 3 kW or higher).
- Subsidy disbursed directly to consumers' bank accounts post-installation and commissioning.

In Haryana, this is supplemented by State Financial Assistance (SFA) primarily for targeted categories, such as Antyodaya families (additional support for up to 1 lakh households on first-come-first-served basis).

Subsidy structure under SFA is as under:

1. For family income in PPP (Parivar Pehchan Patra) below Rs. 1,80,000 per annum
  - Rs. 25,000 per kW up to 2 kW
2. For family income in PPP (Parivar Pehchan Patra) above Rs. 1,80,000 up to Rs. 3,00,000 per annum
  - Rs. 10,000 per kW up to 2 kW

3. General residential consumers primarily avail the central subsidy, with SFA details processed through DISCOM portals. Greater transparency on SFA eligibility in the public domain would further boost adoption.

## 2. Challenges in Implementation within DISCOMs (DHBVN/UHBVN Areas)

The implementation in the Haryana DISCOMs is very low, i.e., only 48,566 installations in Haryana out of 21,03,508 installations at the India level. However, progress remains uneven, with bottlenecks including:

Issues at the Level of Vendors:

### i. SFA eligibility not in public domain:

In the first instance, the SFA eligibility of applicants is not available in the public domain, i.e., on the portal.

### ii. Need of KYC:

The electricity connections are in the name of persons who are either not alive as on date or are of very old age, due to which bank loans are not available to applicants above 65 years of age. Correct mobile number/email ID is not updated in the database of DISCOMs. Proper address (only name of consumer and sub-division is mentioned in most rural area bills) of the consumer is not available in the DISCOM database. PPP (Parivar Pehchan Patra) is either not linked or incorrectly linked to the consumer account.

Thus, there is an immediate need for a KYC drive to be undertaken by DISCOMs, similar to the banking sector where annual KYC is mandatory, so that Name, Father's Name, correct PPP entry, Mobile Number, and Email ID of each consumer are correctly mentioned in the energy bills.

is very surprising to note that although the Change of Name facility is provided by DISCOMs, whenever an application is submitted, only the name is changed, whereas other details like father's name and husband's name of the old consumer continue to remain in the database. This creates issues later for banks as well as for identity proof purposes. This needs to be addressed by DISCOMs.

Load of SFA Applicants:

In most cases, the load of Antyodaya families is less than 0.5 kW, but the applicant wants to install a 2 kW solar power plant. Firstly, the applicant has to increase the load from the existing load to 2 kW and then apply for SFA. But, issue is, when applicants applied the SFA

at 0.5 KW and he apply 2KW solar, then net meter for 2 KW is installed, but SFA is limited to 0.5 KW, creating financial hardship to Antyodaya families. Further, if he increased the load 2 KW, then also there is manual process to update the database of SFA from backend after separate request by applicant through sub-division office. It should be automatically fetched in all respective records.

iv. SFA Disbursement:

The process of SFA disbursement is not smooth. Documents such as installation details are repeatedly asked for during the process of claiming SFA. Further, cheques are being issued to consumers instead of DBT (Direct Benefit Transfer) in loan accounts. The disbursement process should be smooth, like CFA (Central Financial Assistance by GOI), through the portal in a single click.

v. Auto Load Enhancement:

The DISCOMs have provided the facility of auto load enhancement while applying for new solar connections on the portal, in compliance with DHBVN Sales Circular No. D-34 of 2024. However, the sub-divisions are not aware of this facility. At the time of final acceptance of applications, they demand that the load must first be enhanced, and only then the solar application for the enhanced load is accepted. This process is unnecessary and creates hurdles in the timely release of solar connections. Therefore, proper awareness at the sub-division level or clear directions/clarity in the circular is required.

vi. Non-availability of Net Meters:

As on date, there is no availability of net meters with DISCOMs, and consumers are compelled to purchase meters from the open market at higher rates. Therefore, sufficient quantities of net meters should be made available with DISCOMs for smooth implementation of the scheme.

vii. Availability of Pre-tested Meters:

DISCOMs should ensure the availability of pre-tested net meters in adequate quantities so that the installation time of meters is reduced. The to-and-fro movement of meters for testing is a very time-consuming process.

viii. Meter Installation Liability: At present, due to non-availability of net meters, DISCOMs place the liability of meter installation on consumers, who in turn pass this liability to vendors. This becomes a very time-consuming process for vendors. Therefore,

clarity regarding the responsibility of meter installation for solar connections should be clearly defined and should lie with the DISCOMs.

ix. District Mapping in Database:

The Certain areas/villages located near the boundaries of administrative districts are not properly mapped in the DISCOM database. For example, many villages of Uklana Sub-Division of Fatehabad Circle fall under Hisar District, but when solar connections are applied for, the database auto-fetches consumer details as Fatehabad District, whereas actually, as per PM Surya Ghar application, the village belongs to Hisar District. Due to this mismatch

Examples of consumers are A/c No. 4324663000, 2249232417, 8624753000, 0305283000, etc.

This, it is requested that the boundaries of Circles of DHBVN / UHBVN must be in line with the administrative boundaries, i.e., each consumer should fall in the same DISCOM Circle and District.

x. Dedicated Staff for Solar Scheme Implementation:

The issues raised by vendors in DISCOM offices are not addressed timely. Thus, dedicated staff in each office to address these issues should be provided for smooth implementation of the PM Surya Ghar Yojna.

B Issues at the level of Banks:

Bank rules are very stringent with regard to disbursement of the loan amount to the applicants:

i. Issue related to Ownership of House:

Ownership of house is mandatory in all banks, and the same is not available in rural areas as most of the villagers are living in Lal Dora area, where there is no registry of houses, and even DISCOM is giving connections on the recommendation of Sarpanch / MC. But the banks mandatorily ask about the registry. Instead of ownership, possession can be checked, which can be proved itself by consumer meter.

ii. In DISCOMs, if the meter is in the name of any family member other than the owner of the premises, then also banks are not ready to sanction the loan amount.

iii. Under 3 kW solar connection or loan up to Rs. 2 Lakhs, the bank rule is that 10% margin money is to be deposited by the consumer, and for other consumers up to 10 kW, the bank

asks 20% margin money from the consumer, and also ITR and CIBIL are mandatory. This is a financial burden on Antyodaya family consumers.

iv.DCR panels are mandatory under PM Surya Ghar Yojna, but above 5 kW solar connections, non-DCR panels are economical with the same efficiency and power generation. However, banks are sanctioning loans for solar connections with non-DCR panels. Thus, there is non-disbursement of CFA from GOI for such connections, and even the PM portal does not accept such connections. Thus, the bank loan facility must be separately available for such connections (i.e., more than 5 kW) other than PM Surya Ghar Yojna / Jansamarth portal.

v. Lack of Awareness among Consumers

The scheme awareness of SFA and CFA is not at mass level, thus camps are required to be conducted at village level and also through other media.

### 3. Proposed Model: DISCOM-Led On-Consent Installation with Bill-Based Loan Recovery

To expedite progress of Solar Installation in areas served by DISCOMs (sole power distributors in its jurisdiction), the Haryana Solar Association proposes a DISCOM-Led Consumer Consent Model, with following framework:

Core Elements:

- On simple consumer consent (via portal), DISCOM aggregates demand and empanels vendors for installations.
- DISCOM will check the eligibility of CFA and SFA and intimate to consumer and DISCOM may demand 10% margin money from consumer.
- After deposition of 10% margin amount by consumer, the installation of Solar be done at consumer premises by empaneled vendors on rotation basis.
- DISCOM directly pay agreed amount to the vendors post-installation of solar plants.
- Balance cost (post-subsidy) treated as interest-bearing loan from DISCOM, the same may be recovered in installments via monthly electricity bills.
- Asset Ownership: DISCOM retains ownership until full loan recovery and ownership transfers to consumer after clearing loan amount and issuance of NOC from DISCOMs.
- Seamless integration with national portal ([pmsuryaghar.gov.in](https://pmsuryaghar.gov.in)) for subsidy claims and net metering.

**Alignment with Regulations:** This model requires HERC approval for bill-based recovery mechanism and associated tariffs/charges, ensuring consumer protection and DISCOM financial viability.

**Key Advantages:**

- Removes upfront payment and loan processing barriers for consumers.
- Enables DISCOMs to internally resolve database mismatches (names/villages).
- Enhances SFA transparency via portal updates.

Accelerates installations, particularly for low-income households.

- Supports DISCOM incentives for exceeding targets.
- Mitigates risks like theft/vandalism through DISCOM oversight.

**Suggested Rollout:**

MoUs with vendors

Awareness drive

Monitoring via joint DISCOM-vendor committee.

The above proposed scheme is similar in nature already being successful executed under Solar Pumps connections 3 BHP to 10 BHP by HAREDA department, where applicant pays 25% amount of Solar Pumping Set cost and 75% Subsidy born by Govt. and vendors are installing Solar Pumping Set in the fields of farmers and vendors are getting project cost directly and farmers and vendors both stakeholders are satisfied with this model.

This innovative approach will position Haryana as a frontrunner in the scheme, aligning with national renewable goals while benefiting consumers, vendors, and DISCOMs.

The Haryana Solar Association urges HERC to consider and approve this model, including necessary regulatory amendments, to unlock rapid progress of Roof Top Solar Power Plants.

**Discoms Reply:**

This is submitted that the suggestions/proposals for accelerated implementation of the PM Surya Ghar Muft Bijli Yojana are not related to the petition filed by UHBVN on the True-Up for FY 2024–25, Annual Performance Review for FY 2025–26, and Aggregate Revenue Requirement for FY 2026–27. However, the suggestions have been forwarded to the concerned wing for review and appropriate consideration.

**15. Sumit Rao, Gurgaon Industrial Association.**

“The ToD Tariff/Night-time Concessional Tariff, as given below, which shall be exclusive of FSA, ED, M. Tax and Panchayat Tax, would be applicable for the energy drawn during off-peak hours i.e. 22:00 to 05:30 hours, over and above normal consumption in the corresponding month of the preceding year.”

In its present circular, this clause does not provide uniform benefit to all industries across the state, including those operating in Gurugram. The incremental consumption in the corresponding month of the previous year as a discriminatory term will result in the deprivation of the benefit to the majority of the consumers who would like to avail this ToD benefit.

Therefore, we humbly request you that the ToD Tariff/Night-time Concessional Tariff be simplified and made uniformly applicable to all industries in the state, including Gurugram, for energy consumed during off-peak hours (22:00 to 05:30), without linking it to past consumption. This will ensure fair benefit for all industries and promote increased energy usage during off-peak hours.

We would also like to submit that the commission’s order dated 28-03-2025, however, was circulated vide Sale Circular No. D-22/2025 dated 27-11-2025, i.e. after passing a period of 8 months (Approx.).

**Discoms Reply:**

At the outset, it is respectfully submitted that DHBVN, along with its counterpart utility, is presently in the process of proposing a new and robust Time of Day (ToD) mechanism for its consumers, with a view to ensuring optimal load management and equitable tariff implementation.

It is further submitted that the existing ToD / night-time concessional tariff structure, including conditions such as linkage with incremental consumption, has been formulated after due consideration of consumer benefit, system load characteristics, power purchase cost optimisation, and financial sustainability of the Distribution Licensee. The intent of such design is to encourage additional off-peak consumption while maintaining a balanced and economically viable tariff framework.

It is also submitted that the night-time tariff concession is applicable only for a specified seasonal period (November to March), and the relevant Sales Circular is issued prior to the season after due concurrence of both DHBVN and UHBVN.

Accordingly, any modification or extension of eligibility criteria for availing ToD benefits shall be subject to approval of the Hon'ble Commission upon submission and consideration of the detailed proposal.

#### **16. Power Foundation of India (PFI)**

Power Foundation of India (PFI) highlights that significant agricultural sales remain unmetered, violating national standards, and urges the Discoms to complete full metering within three years,. They point out that distribution losses in specific circles like Jind and Palwal far exceed the 10% target and request more aggressive enforcement drives alongside the full utilization of RDSS funds for infrastructure strengthening,,,. PFI identifies discrepancies between claimed subsidies in the petitions and the actual figures in audited accounts, alongside a lack of certified Merit Order Despatch (MoD) compliance and unjustified prior period expenses totaling approximately Rs. 1,785 Crore,,,,,. Furthermore, they argue that Corporate Social Responsibility (CSR) expenses should be paid from profits rather than through consumer tariffs, while also challenging the high Interest on Working Capital caused by delayed state subsidies and the lack of case-by-case scrutiny for accident-related compensation,,,,,. They also claim that Late Payment Surcharges (LPS) should be treated as Non-Tariff Income (NTI) to reduce the revenue requirement,.

On strategic and regulatory planning, PFI criticises the use of 5-to-7-year CAGR for sales projections, advocating for a 2-to-3-year CAGR to better capture post-COVID consumption trends, which would project higher sales and potentially eliminate the need for a tariff hike,. They recommend 0% escalation for power purchase and transmission costs, citing the rationalisation of GST on coal and the removal of the compensation cess, while also alleging that Discoms under-project revenue from surplus power sales,,,,,. PFI requests detailed Renewable Purchase Obligation (RPO) plans aligned with Ministry of Power trajectories and the integration of Energy Storage Systems (ESS) and Demand Side Management (DSM) to flatten demand curves,,,,,. Additionally, they demand a Net Fixed Asset (NFA) approach for Return on Equity to



prevent over-recovery, the segregation of Wheeling and Retail business petitions, and the requirement for Discom-wise revenue gap reporting,,,,,. Finally, they argue that Terminal Benefits and Bad and Doubtful Debts should only be allowed on an actual write-off basis rather than through normative projections,,,,.

### **Discoms' Replies**

In response, the Discoms assert they are fully committed to a roadmap for phased agricultural metering and are already utilizing RDSS funds to address high-loss circles through technical upgrades like HVDS and substation augmentation,,. They clarify that subsidy variations are routine accounting differences or relate to separate year true-ups, and they maintain that power procurement is strictly scheduled via MoD principles under SLDC supervision,. The utilities justify Corporate Social Responsibility (CSR) spending as consumer-centric and previously approved by the Commission for activities like EV charging stations,. They further argue that Interest on Working Capital (IWC) is a legitimate operational cost necessitated by state-level subsidy delays, which should not be loaded onto consumers as a penalty for the utility's financial strain,. They defend the exclusion of Late Payment Surcharges (LPS) from Non-Tariff Income as being in strict accordance with HERC MYT Regulations, and they maintain that accident compensation is paid under statutory and humanitarian obligations. The utilities also confirm they have complied with all Commission directives and that the timing of making progress reports public remains at the Commission's discretion,.

Regarding projections and regulatory frameworks, the Discoms argue that their methodology balances long-term stability with historical trends and that PFI's shorter-term CAGR ignores seasonal and operational realities. They state that taxation changes in coal will be automatically handled through the Fuel and Power Purchase Adjustment Surcharge (FPPAS) mechanism, and that prior period expenses are valid retrospective costs allowed by the MYT framework. The utilities maintain that Energy Storage and PM Surya Ghar impacts are currently enabling policy goals rather than mandatory obligations, though specific BESS projects are already in the tendering phase,. They reject the NFA approach and business segregation demands, noting that their Gross Fixed Asset (GFA) methodology and unified petitions are legally mandated by current HERC regulations, which take precedence over practices in other states. Lastly, the

Discoms defend normative provisioning for terminal liabilities and bad debts as essential for prudential financial planning, ensuring all such costs are subject to a final true-up against actuals.

PFI has given similar nature comments for both the discoms, to avoid repetition, comments of UHBVNL along with discom reply has been stated as under:

**UHBVNL**

1. UHBVNL has submitted the Sales of 25,200 MU. PFI observed that Audited Accounts of UHBVNL has showcased unmetered Agricultural sale of 2,158 MU, which is almost 9% of the total sales during the year.

*“Standard operating Procedure for subsidy accounting and payment”* by Ministry of Power mention that no electricity connection should be released without metering as per extant law and accordingly assessment of energy supplied to subsidized category of consumers to be computed on measured energy through proper metering only.

In view of above, PFI requests the Hon’ble Commission to direct DISCOM to meter all the unmetered Agricultural consumers within next 3 years and to submit monthly progress report to the Hon’ble Commission and to upload the same on their website.

**Reply UHBVNL:** This is to submit that metering of un-metered agricultural consumers is being undertaken in a phased and planned manner. Smart meter installation has been undergoing in the DISCOMs. Upon installation of smart meters, it has been planned to install the removed meters for AP connections.

Further, as per the SoP for subsidy accounting and Payment formulated by MoP, GoI, new connections are released with proper Metering arrangements and subsidy is properly accounted for. The DISCOMs are continuously monitoring progress in this regard, and there has been a consistent reduction in the number of unmetered AP connections over the past few years.

2. UHBVN has some circle with higher Distribution loss than 10%, like
  - Kaithal: 16.75%
  - Rohtak: 19.92%
  - Ambala: 12.29%
  - Kurukshetra: 12.85%

PFI requests Hon'ble Commission to take into account such high loss levels Circles and direct the DISCOM to reduce Distribution losses in such Circles through enforcement drives.

It is pertinent to state that, the Government of India has approved the RDSS to support DISCOMs in improving their operational efficiencies. One of the components on which RDSS Scheme focuses is Loss Reduction. Under this part, infrastructure strengthening works will include Aerial Bunch cables and HVDS for loss reduction, replacement of HT/LT lines as required, construction of new/ upgradation of substations, etc. is to be done. The Total sanctioned funds under RDSS for Haryana DISCOMs is Rs. 6,828 Cr. (Source: RDSS portal). Hon'ble Commission may direct DISCOM to utilize such funding and reduce the Distribution losses of such Circles.

PFI observed that Hon'ble Commission in Tariff Order dated 28/03/2025 directed DISCOMs to reduce AT&C losses of all urban feeders below 20% and that of Rural feeders below 40% and to submit the Status Report after 3 months of the order.

However, DISCOMs have not showcased or submitted the feeder wise AT&C losses details with the Petition. Thus, PFI requests the Hon'ble Commission to direct the DISCOMs to submit the circle-wise losses and action plan for reducing the losses of such circles.

**Reply UHBVNL:** This is to submit that UHBVN has been able to achieve lower Distribution losses than the target set by the Hon'ble Commission for FY 2024-25. This has been possible through various initiatives like loss reduction works, system strengthening works, promoting rooftop solar system, introducing demand side management program, ensuring high HT:LT ratio, etc. to maintain the line losses.

However, in some regions the losses are still high due to legacy issues like Theft, consumer resistance for payment of Bills, etc. The Nigam is constantly striving to reduce losses in such regions so that overall losses further reduces. UHBVN is also utilizing funding under RDSS status of which has been submitted in Capital expenditure for FY 2024-25.

This is to inform that UHBVN has successfully reduced the number of Rural Domestic (RDS) feeders recording more than 40% losses from FY 2023–24 to FY 2024–25. The

Nigam is making continuous and focused efforts to bring down the high loss levels of RDS feeders.

Now, RDS feeders having losses more than 40% are mostly Non-MGJG feeders. Nigam is making all efforts to bring these feeders under the ambit of MGJG Scheme. A Scheme under this regard is also under consideration. Moreover, due to the continuous efforts of the DISCOM, as of March 2025, there is only one no. urban feeders with losses exceeding 20% out of total 966 feeders.

Further, with regard to submission of circle-wise losses and action plan for reducing the losses of such circles, UHBVN has submitted every information as sought by the Hon'ble Commission time to time through Directives or additional information for Tariff or any other matter.

3. PFI notes that the UHBVNL has considered Subsidy from the Haryana Government amounting to Rs. 2,750 Cr. and highlighted outstanding subsidy of Rs. 191 Cr. DISCOM further requested to the Hon'ble Commission to issue direction to pay the unpaid subsidy of Rs. 191 Cr. against the increase in Agricultural Sales.

PFI observed that subsidy amount claimed by UHBVNL of Rs. 2,750 Cr. does not match with the Audited Accounts, which is Rs. 3,028 Cr.

In view of above, PFI requests the Hon'ble Commission to consider the revenue as Rs. 18,169 Cr. against the claim of Rs. 17,892 Cr. and also request to direct DISCOM to submit the reason of discrepancy in data.

**Reply UHBVNL:** This is to submit that the clarification with respect to subsidy has already been provided to the Hon'ble Commission in reply to additional information sought by the Commission in letter dated 02.1.2026.

Further, the subsidy for Agriculture consumers is amounting to Rs. 2589.40 Cr for UHBVN which includes the impact of Rs. 190.50 Cr. This has been clearly mentioned in the True-Up Petition filed by UHBVN in Clause 2.19.4, relevant extract of which is as follows:

"...the impact of Rs. 190.50 Cr. has been considered in the Accounts and the subsidy for Agriculture consumers including the same is amounting to Rs. 2589.40 Cr. as considered in the Petition."

Further, with respect to the amount of Rs. 3,028 Cr. as shown in the Audited Accounts for FY 2024-25, this is to submit that in addition to the subsidy of Rs. 2,589.40 Cr. it also

contains AP subsidy for FY 2022–23 and FY 2021–22 amounting to Rs. 182.20 crore and Rs. 82.97 crore, respectively. This has not been accounted for in FY 2024-25 as it has already been considered in the true-up orders of the respective years. Further, it also contains interest on true up AP subsidy of FY 2021-22 of Rs. 12.30 Cr., Subsidy from State Government for Other Consumers and Domestic consumers of Rs. 2.43 Cr. and Rs. 106.86 Cr. respectively. Further, Revenue Subsidy from Industrial Department Government for Industrial Consumers is of Rs. 51.74 Cr. So, this total amounts to Rs. 3,028 Cr., as mentioned in the Accounts. Other than the AP subsidy for previous years, all other subsidies received have been accounted for in the True-Up of FY 2024-25 and has been clearly shown in Table 2-28 of the True-Up Petition.

4. PFI observes that UHBVNL has not submitted monthly reports certified by Haryana SLDC that Merit Order Despatch principle has been followed in true spirit while scheduling the Power from various Generating Stations. Therefore, it is requested to Hon'ble Commission to direct UHBVNL to submit the details along with certification from Haryana SLDC that MoD has been followed in true letter and spirit.

**Reply UHBVNL:**

This is to submit that Power from various generating stations has been scheduled strictly in accordance with the Merit Order Despatch principle by the Unified Control Room and the monthly merit order stack has been prepared after factoring in the Point of Connection losses, with the variable unit cost of generators based on the energy consumption bills of the previous month.

Accordingly, the SLDC, HVPN also certified the same as under: –

*“it is hereby certified that the scheduling of power from various generating stations is carried out in accordance with the Merit Order Despatch Principle.”* Copy of this certification has been provided to the Hon'ble Commission in reply to additional information sought in Interim Order dtd. 09.1.2026.

5. PFI observed from the table no. 2-3 of the Petition that DISCOMs have considered Prior Period Expenses amounting to Rs. 1,783.45 Cr. while submitting the Total Power Purchase Cost for FY 2024-25, which has resulted in an increase in the Average Power Purchase Cost (APPC) from Rs. 5.42/kWh (excluding Prior Period Expenses) to Rs. 5.65/kWh (including Prior Period Expenses).

It is observed that DISCOMs have not submitted the details of reason of such prior period adjustment like True-up or Tariff Order of Generating Plant, Hon'ble APTEL or Hon'ble CERC order resulting arrears etc. with the Petition.

In view of above, PFI requests the Hon'ble Commission to direct the DISCOM to furnish nature of the prior period expenses along with supporting documents, and consider allowance of such prior period expenses, if any, only after due prudence check and verification. The same should be borne by Govt. of Haryana in the form of Subsidy.

**Reply UHBVNL:**

This is to submit that desired information pertaining to Prior Period amounting to Rs. 1,783.45 Cr. has been submitted to the Hon'ble Commission in reply to additional information sought in Interim Order dtd. 02.1.2026. Reasons for incurring Prior Period has been revision of Annual Fixed Cost, Variable cost, and Change in Law etc. as per the orders of CERC and HERC. These expenses have been claimed as per the provisions stipulated in the HERC MYT Regulations 2019. UHBVN requests Hon'ble Commission to kindly allow such expenses as per the provisions specified in the Regulations.

6. PFI notes that UHBVNL has not submitted any detailed information regarding its source-wise Renewable Purchase, RPO compliance and shortfall if any, as part of the present petition. The absence of such details prevents meaningful examination of statutory compliance with the applicable RPO Regulations.

PFI has observed that there exists a material variation between the RPO trajectory specified by the Hon'ble Commission under the HERC RPO Regulations, 2022 and the RPO trajectory notified by the Ministry of Power (MoP) for FY 2024-25. However, Ministry of Law & Justice through Gazette Notification dated 20/12/2022 amended the Energy Conservation (Amendment) Act, 2022 and gives power to Central Govt. to specify minimum share of consumption of non-fossil sources by designated consumers as energy or feedstock, provided different share of consumption may be specified for different types of non-fossil sources for different designated consumers. Subsequently, Ministry of Power notified minimum share of consumption of non-fossil sources (renewable energy) by designated consumers including DISCOMs vide its notification dated

23/10/2023. Accordingly, Ministry of Power notification dated 23/10/2023 will supersede the Hon'ble Commission Regulation.

**PFI requests the Hon'ble Commission to align RPO trajectory in line with the Ministry of Power RPO Trajectory and direct DISCOM to submit the compliance status with the Petition.**

**Reply UHBVNL:**

This is to submit that UHBVN has been able to comply 100% with the RPO targets for FY 2024-25. Further, the DISCOMs are committed to increase the Renewable Energy proportion in the overall Power Purchase portfolio and comply with the Renewable Purchase Obligation as specified by the Hon'ble Commission. In line with this commitment, the upcoming Renewable Energy capacity addition has been projected for FY 2025-26 and 2026-27 wherein around 1,300 MW is expected to increase in FY 2026-27 with respect to FY 2024-25.

Further, with respect to alignment of RPO Trajectory of Haryana with that specified by MoP, the HERC vide its notification dated 29.10.2025 issued HERC RE Regulation, 2025 which will be effective from 01.04.2026. Further as per chapter No.14 titled "RPO/RCO", RPO trajectory to be followed by Obligatory entities in the following manner:

***"The Renewable Purchase / Consumption / Generation obligations, as may be notified by the Ministry of Power from time to time, shall be complied by the obligated entities, w.e.f. the FY 2026-27. However, obligated entities may exercise the option to comply with either the HERC trajectory specified in the HERC RE Regulations, 2021 (2nd Amendment), 2022 or the MoP trajectory, for the FY 2025-26."***

From the above, it is evident that HERC in its order dated 29.10.2025 has mentioned that RPO trajectory shall be as per MoP notification w.e.f FY 2026-27 onwards. However, HERC has given the option for compliance of RPO Trajectory for FY 2025-26 either as per HERC RE Regulations, 2021 (2nd Amendment 2022) or the MoP trajectory, as the gestation period of RE projects i.e., 18-24 months is falling beyond the applicability period specified in the Regulations.

7. PFI observes that UHBVNL has claimed an amount of Rs. 4.35 Cr. towards Corporate Social Responsibility (CSR) under A&G expenses in Note No. 23 of the Audited Accounts.

CSR expenditure arises out of a statutory corporate obligation under the Company Act which is linked to the profit of the company and the same should be done from the profit only and is not directly related to the licensed activity of supply of electricity. Therefore, the same can't be allowed to be passed on to the consumers.

Accordingly, PFI requests the Hon'ble Commission to not consider the CSR expenditure of Rs. 4.35 Crore as part of A&G Expenses and to allow A&G expenses of Rs. 224.53 Cr. against the claim of Rs. 228.88 Cr. The same should be borne by Govt. of Haryana in the form of subsidy.

**Reply UHBVNL:**

This is to submit that the CSR expenses has been claimed as part of A&G expenses as per past practice done by the DISCOMs. The Hon'ble Commission approved CSR expenditure as part of A&G expenses in the Tariff Order dated 28.03.2025, after due prudence check. Further, the CSR activities undertaken by the Distribution Licensee are consumer-centric in nature and aimed at consumer welfare and service improvement. As per Regulatory provisions, UHBVN has filed True-Up of FY 2024-25 wherein the DISCOM has determined net Revenue Gap of Rs. 2,495.62 Cr. Even though the DISCOM is committed to undertake CSR activities.

Further, the Hon'ble Commission, vide notification dated 19.06.2024, has directed the DISCOMs as under:

***"In case of HT connection for E-Vehicle Charging Station(s) for load up to 200 kW, the cost of separate/dedicated transformer along with allied equipment shall be borne out of CSR funds of DISCOMs to rein in the cost of installations. Provided that in case of shortfall in the CSR funds of DISCOMs, the Distribution Licensee shall claim the same in the ARR/True-Up petition filed by the Distribution Licensee."***

Therefore, disallowance of CSR expenditure in ARR/ True-Up would be in violation of the aforesaid direction issued by the Hon'ble Commission.

8. PFI has observed that during FY 2024-25, UHBVNL has billed subsidy amounting to Rs. 3,027.89 Cr., whereas the subsidy released by the State Government is Rs. 2,536.82 Cr., resulting in an outstanding subsidy receivable of Rs. 491.07 Cr. during the year. The non-receipt of the full subsidy amount within the same financial year has adversely impacted on the cash flow and liquidity position of DISCOM.



Due to this liquidity constraint, UHBVNL has been compelled to rely on short-term borrowings to meet its day-to-day operational requirements, including payment towards power purchase and other statutory dues. As a result, the Interest on Working Capital has increased and has been claimed as Rs. 387.80 Cr. for FY 2024-25 as per the audited accounts.

In this regard, reference is drawn up to Section 65 of the Electricity Act, 2003, which clearly stipulates that where the State Government requires a distribution license to provide subsidy to any class of consumers, the State Government shall pay the subsidy amount in advance, so as to compensate Subsidy payment and its timely release are attributable to the State Government, therefore the State Govt. should bear the burden so that this burden will not be socialized at large among the consumers through Tariff.

PFI has considered these two parameters for computing the collection efficiency of DISCOM and the same was considered for computing the Revenue (Gap)/Surplus for the year.

In view of the above, PFI requests Hon'ble Commission to consider Rs. 387.80 Cr. as Interest on Working Capital for FY 2024-25 and also request for amending the Regulatory provisions to allow actual interest on Working Capital for the DISCOMs considering the fact that there is outstanding subsidy to be paid by the Govt. Such interest on Working Capital is a prudent cost incurred by the DISCOM which if not allowed will become financial losses to the stressed DISCOM.

**Reply UHBVNL:**

This is to submit that the submission of the objector may kindly be considered by the Hon'ble Commission.

Further, Sections 61 (d) of the Electricity Act, 2003 stipulates that the appropriate Commission shall specify Tariff Regulations considering various parameters including safeguarding of consumers' interest and at the same time, recovery of the cost of electricity in a reasonable manner. Also, Electricity (Second Amendment) Rules, 2023 dtd. 26/07/2023 formulated by Ministry of Power, GoI, stipulates that the prudent costs incurred by the distribution licensee for creating the assets for development and maintenance of distribution system should be allowed.

In view of above, Hon'ble Commission is requested to consider Rs. 387.80 Cr. as Interest on Working Capital for FY 2024-25.

9. PFI notes that UHBVNL has claimed an amount of Rs. 8.21 Crore under "Other Debits" for FY 2024-25 based on Audited Accounts, stating that the same primarily relates to compensation for injury, death & damage and has sought allowance of the same under the applicable regulations.

PFI observes that Section 57 (2) and Section 59 (1) of the Electricity Act 2003 focus on two key points i.e., Compensation and Furnishing Case-wise information.

Conjoint reading of Section 57 & Section 59 leads to the conclusion that DISCOMs need to submit case-by-case details to the Commission and the Commission will determine the compensation only after going through the merits of each case.

It is pertinent to note that all penalties and compensation payable by the DISCOM to any party for failure to meet any Standards of Performance or for damages, as a consequence of the orders of the Commission, Courts, Consumer Grievance Redressal Forum, and Ombudsman, etc., should not be allowed to be recovered through the Aggregate Revenue Requirement.

In view of above, PFI proposes the Hon'ble Commission to direct DISCOM to submit case-by-case reason of accident and allow pass through of compensation only in cases where the reason is not attributable to the DISCOM. Accordingly, PFI proposes the Hon'ble Commission to disallow the same till DISCOM submit the details and the same may be borne by Govt. of Haryana in the form of subsidy.

**Reply UHBVNL:**

This is to submit that Regulation 17 of the MYT Regulations, 2019, provide the provisions for other debits. The relevant excerpt of the aforesaid regulations is as follows:

***17. COMPONENTS OF TARIFF FOR DISTRIBUTION AND RETAIL SUPPLY BUSINESS***

***17.2 The ARR of the distribution licensee for retail supply business and wheeling business will comprise the following elements:***

***ARR for Retail supply business***

***A – Expenses***

*...*

*k) any other expenses not mentioned above*

Based on the above Regulations, UHBVN has claimed amount of Rs. 8.21 Crore under “Other Debits” for FY 2024-25 based on Audited Accounts, which primarily relates to compensation for injury, death & damage.

The licensee makes such expenses in line with the Rules and Guidelines formulated by HERC/CEA or other bodies and also comply with the procedure defined for compensating the affected consumers.

The Distribution Licensee submits that such compensation is paid strictly in accordance with the applicable Rules, Regulations, and Guidelines issued by HERC, CEA, and other competent authorities, and after following the prescribed procedures for assessing and compensating the affected consumers. The DISCOM strictly complies with the Standards of Performance and safety norms as specified by the Commission and other statutory bodies. However, it is submitted that certain accidents and mishaps may occur due to reasons beyond the control of the Distribution Licensee, despite adherence to all prescribed standards and due diligence.

In such cases, payment of compensation is a statutory and humanitarian obligation and is essential to provide timely relief to the affected consumers or their families.

In view of the above, UHBVN respectfully requests the Hon’ble Commission to approve the amount of Rs. 8.21 crore claimed towards compensation for injury, death, and damage, to enable the Distribution Licensee to meet its statutory obligations and ensure timely payment to the affected consumers.

- 10.** PFI notes that the UHBVNL have not considered Late Payment Surcharge (LPS) / Delayed Payment Surcharge collected from consumers while computing Non-Tariff Income (NTI) for the relevant financial years, even though LPS has been actually realised and reflected in the audited accounts under “Other Income / Miscellaneous Income”.

PFI submits that LPS is levied on consumers for delayed payment of electricity bills and does not have any direct nexus with the provision of electricity supply.

PFI submits before Hon'ble Commission that Hon'ble APTEL in its judgment dtd. 28/11/2013 in Appeal Nos. 14 of 2012 in the matter of NDPL VS DERC has decided that LPSC received by DISCOMs from the consumers shall be treated as NTI and its Financing Cost has to be allowed by Commission.

Based on the above, PFI requests Hon'ble Commission to consider LPSC as part of Non-Tariff Income, netting off the Financing cost associated with the same. PFI based on the methodology shown in the aforementioned APTEL Judgement has computed NTI for UHBVNL based on their Audited Accounts for FY 2024–25.

**Reply UHBVNL:**

This is to submit that Regulation 67 of the MYT Regulations stipulates the provision for the estimation of the Non-Tariff Income, as shown below.

***“67. NON-TARIFF INCOME***

*67.1 All incomes being incidental to electricity business and derived by the licensee from sources, including but not limited to profit derived from disposal of assets, rents, meter rent, income from investments other than contingency reserves, miscellaneous receipts from the consumers, etc shall constitute non-tariff income of the licensee;*

In line with regulatory principles and the methodology approved by the Commission in last True-Up Orders and to ensure transparency, certain items including delayed payment surcharges, rebates on power purchase, and early payment rebates from suppliers, have been excluded while claiming Non-Tariff Income for FY 2024-25.

Delayed Payment Surcharge is not considered as a part of non-tariff income for FY 2024-25. It is submitted that Delayed Payment Surcharge is not in the nature of income incidental to the electricity business but is a compensatory charge levied to offset the additional financing burden arising on account of delayed payment of dues by consumers. Due to such delays, the DISCOM is compelled to arrange short-term borrowings to meet the requirements, which results in increased interest liability.

However, the Hon'ble Commission allows interest on working capital on a normative basis. Consequently, the actual financing cost incurred by the DISCOM due to delayed payments is not fully recovered through tariff. The Delayed Payment Surcharge collected from consumers is therefore utilised to partly bridge the gap between the actual financing cost incurred and the normative interest allowed by the Commission.

**ARR of FY 2026-27**

11. UHBVNL has projected energy sales of 28,541 MU for FY 2026-27.

PFI observed that while multiple historical CAGR periods (2-year, 3-year, 5-year and 7-year) have been computed, the selected CAGR for projection is not consistently aligned with recent consumption trends. In several categories, UHBVNL has considered 5-year

CAGR or 7-year CAGR or manual CAGR values for projecting sales, however the same does not showcase the recent trend as increase in consumption especially after COVID-19.

In view of above, PFI requests the Hon'ble Commission to consider 2-year or 3-year CAGR as it provides a better reflection of current economic conditions, consumer behaviour, and demand patterns. Longer historical periods tend to smoothen recent growth signals and may not capture present realities.

**Reply UHBVNL:**

This is to submit that as per Regulation 73 of the HERC MYT Regulations, 2024, the sales forecast has been projected based on the actual energy sales for FY 2024-25 and the Compound Annual Growth Rate (CAGR) of relevant duration. The CAGR of relevant duration having the adequate growth rate with respect to the expected increase in the number of consumers and connected load during FY 2026-27 has been considered for projecting the category wise energy sales. Any abnormal variation in CAGR has been adjusted by considering the normalize growth rate on manual basis.

- 12.** UHBVNL has projected Distribution loss of 9.85% and collection efficiency of 99.50%. PFI has observed that actual Distribution loss of UHBVNL in FY 2024-25 is only 9.33% against the target of 10%. Further, the DISCOM has also opted for RDSS scheme under which Loss reduction is one of the key focus areas and as per RDSS dashboard, the physical progress of UHBVNL is 43%. In view of this, PFI requests the Hon'ble Commission to consider Distribution Loss as 9.33% equal to actual distribution loss of FY 2024-25 instead of 9.85%.

**Reply UHBVNL:**

This is to submit that UHBVN has significantly reduced the Aggregate Technical and Commercial (AT&C) losses from 30.10% to 9.33% from FY 2015-16 to FY 2024-25. But the distribution losses have already reached to a saturation level now. Further, Haryana being an agrarian state, maintaining distribution losses at the existing level will require significant amount of fund infusion. UHBVN has already started taking sincere measures towards such a direction. Considering the technical challenges prevailing into the supply chain system and other social and economic factors within the state, the AT&C losses has been proposed for FY 2026-27.

- 13.** To direct DISCOMs to submit the projection for Energy Balance, Power Purchase Quantum & Cost on monthly basis.

**Reply UHBVNL:** This is to submit that the DISCOMs have prepared the project wise projections for Power Purchase Quantum & Cost on monthly basis only. The annual energy requirement has been derived from the monthly energy requirement, and all relevant information regarding energy balance, power purchase quantum, and costs has been made available to HERC as and when sought.

Further, the Energy availability between the Haryana Discoms has been allocated based on the ratio of their energy requirement at the state periphery. Energy requirement for both the Discoms has been projected by considering their energy sales projections and distribution loss reduction trajectory and Intra-state losses.

- 14.** DISCOMs have completed the Power Purchase Cost section in 3-4 pages only without submitting the basic details like assumptions considered for projecting plant-wise quantum like Capacity, DISCOM share, PLF, Minimum Technical Limit, annual overhauling/maintenance schedule, past generation trend, CERC/Commission Order for projecting Fixed Charges, etc. like other DISCOMs submit with the Petitions.

Hence, it is requested to the Hon'ble Commission to direct DISCOMs to resubmit such details to the Commission and the same may be approved after prudence check of the details submitted by the DISCOMs.

UHBVNL has only submitted plant-wise Power Purchase Quantum and Total Charges. However, in order to validate the claim of UHBVNL, plant-wise breakup of Power Purchase Cost i.e., Fixed Charge and Energy Charge should be provided.

PFI further submits that the Hon'ble Commission has already approved a monthly Fuel and Power Purchase Adjustment Surcharge (FPPAS) mechanism, which provides for automatic recovery of variations in power.

In view of the Government of India notifications dated 17.09.2025 and the expected reduction in coal prices and consequent Energy Charge Rates of thermal power plants in FY 2026-17. Thus, PFI requests the Hon'ble Commission to consider Fixed Cost, Energy Charge Rate for FY 2026-27 at the same level as FY 2025-26, without any escalation.

**Reply UHBVNL:**

This is to submit that all requisite details like assumptions considered for projecting plant-wise quantum like Capacity, DISCOM share, PLF, Minimum Technical Limit, annual overhauling/maintenance schedule, past generation trend, CERC/Commission Order for projecting Fixed Charges, etc. have already been provided to the Hon'ble Commission in reply to additional information sought by the Commission.

Further, Energy and Fixed rates (per unit) have increased with a CAGR of 5% and 2% respectively over the last 3 FYs, i.e., from FY 2021-22 to FY 2024-25. Therefore, in line with the same trend, Energy rate for FY 2026-27 have been considered with escalation of 4% y-o-y over the actual Billed in FY 2024-25. Fixed Charges for FY 2025-26 have been considered with escalation of 2% y-o-y on the actual fixed charges paid to generators in FY 2024-25.

It is submitted that maintaining fixed and energy costs at the same level as FY 2025-26, without accounting for historical trends, would result in underdetermination of power purchase costs, which would in turn lead to an unrealistically high Fuel & Power Purchase Adjustment Surcharge (FPPAS). The FPPAS mechanism is designed to recover variations in fuel and power purchase costs between approved and actual Power Purchase arising from factors that cannot be predetermined, such as change in law, fuel price fluctuations, and variable plant performance.

Therefore, projecting power purchase costs based on past trends and applying reasonable escalation is both prudent and in line with regulatory principles. Using existing rates without escalation would not reflect the actual cost projections and is not an appropriate basis for determining power purchase cost or for levying FPPAS, as per Regulatory principles.

- 15.** UHBVNL has projected the Transmission Charges after considered escalation of 3% & 2.5% on ISTS & InSTS charges actually paid in FY 2024-25.

PFI submits that the transmission cost for the ensuing year should be based on the transmission charges projected in FY 2025-26, rather than being projected by applying an escalation factor. Transmission charges are largely regulated and pass-through in nature, and any variation arising due to approved tariff orders or actual billing may be appropriately addressed through monthly FPPAS. Over projecting the Transmission

charges reduces the upfront loading of the same on Tariff and ultimately on the consumers as large.

**Reply UHBVNL:**

It has been observed that InSTS Charges have increased with a CAGR of 2.5% over the last 3 FYs, i.e., from FY 2021-22 to FY 2024-25. Further, ISTS Charges have increased with a CAGR of 12% over the last 3 FYs, i.e., from FY 2021-22 to FY 2024-25. Therefore, in line with the same trend, Transmission Charges has been claimed for FY 2026-27 after considered escalation of 3% & 2.5% y-o-y on ISTS & InSTS charges actually paid in FY 2024-25.

It is submitted that maintaining transmission charges at the same level as FY 2025–26, without accounting for historical trends, would result in underdetermination of power purchase costs, which would in turn lead to an unrealistically high Fuel & Power Purchase Adjustment Surcharge (FPPAS). The FPPAS mechanism is designed to recover variations in fuel and power purchase costs arising from factors that cannot be predetermined, such as change in law, fuel price fluctuations, and variable plant performance.

Therefore, projecting transmission charges based on past trends and applying reasonable escalation is both prudent and in line with regulatory principles. Using existing rates without escalation would not reflect the actual cost structure and is not an appropriate basis for determining power purchase cost or for levying FPPAS, as per Regulatory principles.

- 16.** To direct DISCOMs to submit the details of RPO compliance and impose penalty on DISCOMs for non-compliance of Hon'ble Commission RPO Trajectory.

**Reply UHBVNL:** - The details of RPO compliance have already been provided to the Hon'ble Commission in reply to additional information sought by the Commission. The DISCOMs further submit that RPO compliance is being pursued in accordance with the RPO Regulations and the trajectory specified by the Hon'ble Commission.

- 17.** UHBVNL has projected considered Terminal Benefits of Rs. 490 Cr. while projecting Employee expenses for FY 2026-27.

PFI has observed that as per Note-4 of the Regulation 59.4 of HERC (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and



Distribution & Retail Supply under Multi Year Tariff Framework) Regulations, 2024, Terminal Benefits will be approved as per actuals paid by the Petitioner.

Accordingly, PFI requests the Hon'ble Commission to not consider Terminal Benefits of Rs. 490 Cr. while allowing Employee expenses. PFI has recomputed Employee Expenses as Rs. 1,204 Cr. against the projected Employee Expenses of Rs. 1,694 Cr. the balance may be borne by the Govt. of Haryana in the form of subsidy.

**Reply UHBVNL:**

This is to submit that Regulation 59.4 of the HERC MYT Regulations 2024 provides the approach for estimating the O&M expenses on component wise basis for FY 2026-27. The relevant Note-4 of the aforesaid Regulation is reproduced as follows:

*"Note 4: Terminal liabilities shall be approved as per actual expenditure incurred by the distribution licensee or established through actuarial valuation for the ensuing year."*

As per the Regulations, Terminal liabilities for the ensuing year shall be as per actual expenditure incurred by the licensee or established through actuarial valuation.

Therefore, in line with the applicable Regulations, Terminal benefits for FY 2026-27 has been considered same as actuals of FY 2024-25 which amounts to Rs. 490.11 Crores, subject to True-Up.

UHBVN requests the Hon'ble Commission to kindly consider the Terminal benefits for FY 2026-27 as submitted by the Licensee as per the MYT Regulations.

- 18.** UHBVNL has considered revenue against surplus power at an average rate of Rs. 3.38/kWh and expected revenue of Rs. 1,034 Cr. in FY 2026-27. However, it is observed that in FY 2024-25, UHBVNL sold 2,621 MU and recovered revenue of Rs. 1,118 Cr. which resulted in average rate of sale of power as Rs. 4.26/kWh.

In view of above, PFI has recomputed the revenue from sale of surplus power by considering the avg. rate as Rs. 4.27/kWh (actuals of FY 2024-25) instead of Rs. 3.38/kWh as projected by UHBVNL. Accordingly, PFI requests the Hon'ble Commission to consider the revenue from sale of Interstate sales/ Banking as Rs. 1,356 Cr. instead of Rs. 1,034 Cr.

**Reply UHBVNL:**

This is to submit that as per the methodology approved by the Hon'ble Commission in earlier Tariff Orders, revenue from inter-state sales has been projected based on the average variable power purchase cost for FY 2026-27 according to which the Revenue from surplus sales amounts to Rs. 1033.64 Crores. Further, it is submitted that the revenue is subject to true-up, and any difference between projected and actual revenue/cost during the year will be duly adjusted and passed on to the consumers. Hence, UHBVN requests the Hon'ble Commission to kindly consider the same.

- 19.** DISCOMs to submit separate Petition for Wheeling and Retail Business along with break-up of business-wise expenses and income in Audited Accounts.

**Reply UHBVNL:**

This is to submit that as per Regulations 7 of the HERC MYT Regulations 2024, the DISCOM to submit ARR of Wheeling and Retail Supply Business as per the allocation statement to apportion costs and revenues to respective business.

In line with the applicable regulatory framework, UHBVN has provided the segregated Wheeling and Retail Supply ARR in the Petition.

- 20.** The inefficiencies of UHBVNL should not be allowed to socialize to consumers at large rather it should be borne by Government of Haryana by providing revised subsidy of Rs 3,509 Cr. instead of booked subsidy of Rs. 3,028 Cr. for FY 2024-25. Further, Govt. of Haryana should provide additional subsidy of Rs. 2,231 Cr. on account of higher claims of DISCOMs, over and above the subsidy to be decided by Govt. of Haryana for FY 2026-27.

**Reply UHBVNL:** UHBVN deny the allegation of inefficiency. The subsidy requirement has been computed based on approved tariff, applicable subsidy commitments of the Government of Haryana, and actual cost of supply. Any decision regarding revision or additional subsidy lies within the domain of the Government of Haryana.

- 21.** To not allow any Tariff Hike as proposed by DISCOMs as they are in Revenue Surplus.

**Reply UHBVNL:** The claim of revenue surplus by PFI is incorrect. The ARR and revenue gap/surplus position has been determined based on actual figures of FY 24-25 and FY 25-26 (First half) projections of costs, revenue, and past true-ups. The cumulative revenue gap during the FY 2024-25 is Rs 5,261.23 Crores and FY 2026-27 is Rs. 4,484.71 Crores for Haryana Discoms.

Further, this is to submit that the Electricity (Amendment) Rules, 2024 dtd. 10/01/2024 formulated by Ministry of Power, GoI, stipulates that tariff shall be cost reflective and there shall not be any gap between approved Annual Revenue Requirement and estimated annual revenue from approved tariff.

In line with the above Rules stipulated by the MoP, it is submitted that the Discoms may be allowed Cost Reflective Tariff such that there shall not be any gap between ARR and revenue as approved by the Hon'ble Commission for FY 2026-27.

- 22.** To direct DISCOMs to submit the compliance of Directives issued by the Hon'ble Commission in Tariff Order dated 28/03/2025.

**Reply UHBVNL:** UHBVN submit that the directives issued by the Hon'ble Commission vide Tariff Order dated 28.03.2025 have been complied and status reports is submitted before the Hon'ble Commission.

- 23.** To direct DISCOM to consider Energy Storage as part of their Power Procurement Planning in line with Resource Adequacy Planning formulated by CEA for Haryana.

**Reply UHBVNL:** UHBVN acknowledge the importance of energy storage and submit that resource adequacy planning, including storage solutions, is being examined in line with CEA guidelines and evolving regulatory framework.

- 24.** PM Surya Ghar: Muft Bijli Yojana, the world's largest domestic rooftop solar initiative, is transforming India's energy landscape with a bold vision to supply solar power to one crore households by March 2027. By March 2025, installations under the scheme are expected to exceed 10 lakh, with the numbers doubling to 20 lakh by October 2025, reaching 40 lakh by March 2026, and ultimately achieving the target of one crore by March 2027. The scheme is projected to add 30 GW of solar capacity through rooftop installations in the residential sector, significantly contributing to India's renewable energy goals.

Through this rooftop solar scheme many domestic consumers will have Net metering connections which will have a sizeable impact on the domestic category sales. However, in the Tariff Petition for ARR of FY 2026-27, it is noted that none of the DISCOMs have submitted any proposal related to PM Surya Ghar – Muft Bijli Yojna.

Further, it is observed that the DISCOMs have also not submitted any proposal related to Demand Side Management (DSM) initiatives.

In view of above, PFI submits that Sales forecast for DISCOMs in ARR of FY 2026-27 may be done considering the impact of PM Surya Ghar – Muft Bijli Yojna and Demand Side Management (DSM) initiatives.

**Reply UHBVNL:**

This is to submit that UHBVN has submitted detailed information pertaining to DSM initiatives and Rooftop Solar generation to the Hon’ble Commission in reply to additional information sought by the Commission vide letter dtd. 09.1.2026.

This is to submit that the Haryana Power Utilities are undertaking the installation of Battery Energy Storage Systems (BESS) at substations and generation stations in a phased manner, based on land availability and grid connectivity. Currently, a BESS with a capacity of 500 MWh is planned for installation at PTPS Panipat, for which the tendering process is underway. After successful installation, BESS will store electricity during off-peak hours and discharge it during peak demand periods. This will help flatten the overall load curve and improve system efficiency.

Shifting Agricultural Pumping (AP) Load to Off-Peak Hours: To achieve this, UHBVN is undertaking the following measures:

- **Substation Augmentation:** Planning is underway to augment the capacity of existing substations and create new substations where loading exceeds 70%.
- **Reconfiguration of AP Feeders:** AP feeders currently operating in three PRM groups are being reorganized into two PRM groups through the creation of new substations and augmentation of existing ones.
- **Daytime Operation for Solar Utilization:** Further planning is being done to operate all AP feeders in a single group during daytime to maximize the utilization of solar power

**25. Gross Fixed Assets (GFA) OR Net Fixed Assets (NFA) approach for Return on Equity**

Section 61 of the Electricity Act, 2003, pertains specifically to framework of Tariff Regulations by appropriate Commission. Sub-Section (d) of Section 61 stipulates that while framing Tariff Regulations, appropriate Commission may be guided by various factors including “safeguarding of consumers' interest and at the same time, recovery of the cost of electricity in a reasonable manner;”

Taking an ideal case of Transformer, whose useful life is 25 years. Based on such useful life, Depreciation is first calculated for 12 years which is linked to 70% of loan repayment.

Balance Depreciation till 90% is segregated over balance useful life of 25 years. So, a utility, after 12 years (when loan has been fully repaid) receives Depreciation in Fixed Charges and also RoE on full Equity Base. Rather, after 12 years, RoE should be allowed on Net Fixed Asset basis and Equity Base should be reduced by Depreciation since Depreciation is allowed as an expense even after 12 years recovered from consumers. Since beneficiaries are required to pay for the useful value of the assets in operation, therefore NFA approach would be in tandem with Section 61 (d) of the Act.

GFA approach leads DISCOMs to earn return on depreciated assets. Therefore, the capital cost may be divided in the ratio of loans and equity and the loan amount may be reduced to the extent of depreciation accrued. Once the loan is fully repaid, further depreciation must reduce the Equity component as still depreciation is allowed to be recovered in Fixed Cost even after full repayment of loan.

As per working Methodology of GFA and proposed NFA Approach it may be noted that from 20th Year onwards Equity Base is reduced, after repayment of Loan, through Depreciation. Cumulative RoE till 25 years is Rs. 105.60 Cr. whereas under NFA approach is Rs. 95.71 Cr.

**Reply UHBVNL:**

This is to submit that UHBVN has filed Return on Equity (RoE) as per the Regulatory provisions stipulated in applicable HERC MYT Regulations. The Regulations clearly specify to compute RoE on GFA approach and so, the DISCOMs have adopted GFA approach for computation of RoE.

For any amendment in Regulations, objectors may approach through suitable channel to the Hon'ble Commission.

**26. Bifurcation of Revenue on DISCOM level**

It is observed that the Hon'ble Commission provides the consolidated Revenue (Gap)/Surplus for Haryana while issuing the Tariff Order for any year, like in Tariff Order for FY 2025-26 dated 28/03/2025, the Revenue (Gap)/Surplus is Rs. 3,262 Cr. instead of highlighting the DISCOM wise Revenue (Gap)/Surplus.

Further, MoP vide Electricity (Amendment) Rules, 2024 dtd. 10/01/2024 has specified the following with regards to Revenue Gap between approved Annual Revenue Requirement and estimated Annual Revenue from approved tariff:

*“23. Gap between approved Annual Revenue Requirement and estimated annual revenue from approved tariff– The tariff shall be cost reflective and there shall not be any gap between approved Annual Revenue Requirement and estimated annual revenue from approved tariff except under natural calamity conditions:”*

In view of above, PFI requests the Hon’ble Commission to highlight DISCOM wise Revenue (Gap)/Surplus instead of consolidated Revenue (Gap)/Surplus.

**Reply UHBVNL:** The matter pertains to the methodology adopted in Tariff Order. Hon’ble Commission may appropriately consider the issue raised by the objector.

- 27.** To consider the additional submissions, if any, made by PFI for Haryana DISCOMs Tariff Petition for ARR & Tariff of FY 2026-27.

**Reply UHBVNL:** Any additional submissions made by PFI may be considered by the Hon’ble Commission on merits. The DISCOMs reserve their right to submit further replies, clarifications, or data, if so directed by the Hon’ble Commission.

#### **Comments received during field hearings**

| Sr. No | Name of Objector | Organization / Address                                                                          | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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| 17.    | Akshay Gupta     | On behalf of Heritage Max Condominium Association & Heartsong Condominium Association, Gurugram | Vide mail dated 13.02.2026<br><b>1. Repeated Levy of Inadequacy Charges and Absence of Proper Accounting</b><br>It is respectfully submitted that the Nigam is repeatedly levying inadequacy charges from consumers (Mayfield Garden , Uppal Southend Gurgaon). Even in cases where inadequacy charges have already been deposited for a particular site, the Nigam again compels the consumer to deposit such charges when a new connection is released at the same premises.<br>There is no transparent, site-wise accounting mechanism to track inadequacy charges already recovered, resulting in double | The recovery of inadequacy charges is undertaken in accordance with the provisions of the Haryana Electricity Regulatory Commission (Duty to Supply Electricity on Request, Power to Recover Expenditure Incurred in Providing Supply and Power to Require Security) Regulations, 2016, which permit recovery of expenditure for system augmentation.<br><br>Inadequacy charges are levied based on specific load requirements and network conditions at the |

| Sr. No | Name of Objector                         | Organization / Address                             | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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|        |                                          |                                                    | <p>recovery and undue financial burden on consumers.</p> <p>It is therefore suggested that a centralized and site-specific accounting system be mandated, and once inadequacy charges are deposited for a site, fresh levy should not be imposed repeatedly unless actual system augmentation is carried out.</p> <p><b>2. Arbitrary and Non-Uniform Levy of NDS Load Charges under Single Point Regulation</b></p> <p>Under the Single Point Regulation, there exists a provision for charging NDS load charges. However, in practice, there is no uniform or transparent billing mechanism. In several cases, the Nigam has raised retrospective demands spanning 5 to 7 years, while in other similarly placed cases, no such charges have been levied at all.</p> <p>This inconsistent and selective approach causes serious prejudice to consumers.</p> <p>It is suggested that the Hon'ble Commission may prescribe a clear, uniform, and time-bound mechanism for levy and billing of NDS load charges and regulate or prohibit arbitrary retrospective demands.</p> <p><b>3. Non-Issuance of Bills to Group Housing Societies under Single Point Regulation</b></p> <p>It is further submitted that despite the applicability of the Single Point Regulation, the Nigam is not issuing bills to Group Housing Societies in the prescribed manner, leading to confusion, disputes, and avoidable litigation.</p> <p>It is therefore suggested that billing under the Single Point Regulation be strictly enforced and standardized, with clearly defined billing formats and timelines</p> | <p>time of release of connection. Where additional load or strengthening is required, such recovery is permissible. Hence, the allegation of arbitrary or repeated recovery is not tenable.</p> <p>Further, levy of NDS load charges under Single Point Supply is governed by HERC Regulations, 2020 and tariff schedules approved by the Commission. DISCOMs are bound to levy charges as per approved tariff, and recovery of applicable charges cannot be termed arbitrary.</p> <p>Regarding billing, the procedure is already defined under Single Point Supply Regulations, wherein billing is done at bulk supply level and internal distribution is the responsibility of the society/developer. Hence, the issue raised is not attributable to DHBVNL.</p> |
| 18.    | Anantha Padmanaban (through Mahesh Iyer) | B-49 Ground Floor, Ardee City, Sector-52, Gurugram | <p>Vide mail dated 12.02.2026</p> <p>I am writing this representation to strongly oppose the approval of the Aggregate Revenue Requirement (ARR) for FY 2026-27</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | ARR and revenue gap are computed strictly under Electricity Act and MYT Regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Discom Reply / Comments                                                                                                                                                                                                                                                                   |
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|        |                  |                        | <p>as submitted by Dakshin Haryana Bijli Vitran Nigam (DHBVN), which seeks to pass on a significant tariff hike to consumers.</p> <p>It has been stated that DHBVN has projected a revenue gap of INR 5,261.23 crore for FY 2024–25 and has petitioned the Hon’ble Commission to carry forward this gap into the ARR for FY 2026–27, thereby justifying an increase in consumer tariffs. This approach places an unfair and recurring financial burden on honest electricity consumers, who are already facing continuous tariff increases year after year.</p> <p>The proposed tariff hike appears unjustified and ambiguous, as it does not seem to be based on an accurate calculation of the actual cost of service. Notably, the petition fails to adequately address recovery mechanisms from defaulters, whose outstanding dues reportedly amount to approximately INR 8,500 crore. Effective recovery of these long-pending dues would substantially reduce the projected revenue gap and lessen the need to burden paying consumers.</p> <p>Before considering any increase in tariffs, it is imperative that DHBVN demonstrates concrete steps toward improving operational efficiency, reducing transmission and distribution losses, and recovering dues from defaulters. Without these measures, passing inefficiencies directly onto consumers is neither fair nor sustainable.</p> <p>In view of the above, I respectfully urge the Hon’ble Commission to reject or defer approval of the ARR for FY 2026–27 and not permit any tariff hike until DHBVN ensures transparent accounting, efficient operations, and serious recovery of outstanding dues.</p> | <p>Outstanding dues are not part of ARR and cannot be considered for tariff determination.</p> <p>Recovery is a separate operational process; tariff is based on cost-to-serve principles.</p> <p>Operational improvements and loss reduction are ongoing under regulatory framework.</p> |



| Sr. No | Name of Objector                                   | Organization / Address               | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                     |
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| 19.    | Ankita Sahni                                       | Suncity,<br>Sector-54,<br>Gurugram   | <p>Vide mail dated 13.02.2026</p> <p>I am writing to register my strong objection to the proposed approval of ARR for FY 2026–27 and the consequent tariff hike sought by DHBVN.</p> <p>The petition presented by DHBVN is fundamentally flawed and unjustified:</p> <ul style="list-style-type: none"> <li>- The claimed revenue gap of INR 5261.23 crore for FY 2024–25 is being carried forward without transparent justification or accountability.</li> <li>- The petition completely ignores recovery from defaulters, which currently amounts to approximately INR 8500 crore. This omission is unacceptable. Recovery of these dues must be prioritized before burdening honest, paying consumers.</li> <li>- Public notices regarding this matter were inadequately publicized, undermining the principle of fair public participation. Citizens were deprived of timely information.</li> </ul> <p>It is unjust and inequitable to impose the burden of DHBVN's inefficiency on sincere domestic consumers. The Commission must reject this petition and prevent an unwarranted tariff hike.</p> | <p>ARR is based on prudently incurred costs under MYT Regulations.</p> <p>Outstanding dues are not admissible cost components and do not affect tariff computation.</p> <p>Public notice was duly issued as per statutory provisions.</p> <p>Objections are without merit.</p>                                                                                                              |
| 20.    | Akhilesh Nair<br>(Concerned Customer – Amit Varma) | F-114 SF Sun<br>City SE,<br>Gurugram | <p>mail dated 12<sup>th</sup> Feb. 2026</p> <p><b>Subject: Objection to Approval of ARR for FY 2026–27 and Proposed Tariff Increase</b></p> <p>I write to formally register my objection to the proposed approval of the Annual Revenue Requirement for FY 2026–27 and the consequent tariff hike sought by DHBVN.</p> <p>The petition raises serious concerns:</p> <p>First, the claimed revenue gap of INR 5,261.23 crore for FY 2024–25 is proposed to be carried forward without adequate transparency, accountability, or a clear explanation of the underlying assumptions. Passing this burden</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <p>ARR and revenue gap are computed strictly under Electricity Act and MYT Regulations based on approved cost components.</p> <p>Outstanding dues are not admissible cost elements in ARR and cannot offset tariff determination.</p> <p>Recovery from defaulters is a separate statutory process. Public notices were duly issued.</p> <p>Operational efficiency improvements and loss</p> |

| Sr. No | Name of Objector                                              | Organization / Address                | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Discom Reply / Comments                                                                                                                                                                                                                                                                                           |
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|        |                                                               |                                       | forward without corrective measures sets an unfair precedent. Second, the petition does not meaningfully address recovery from defaulters, which reportedly stands at approximately INR 8,500 crore. Prioritizing recovery of outstanding dues would substantially reduce the stated revenue gap. It is unreasonable to transfer the cost of inefficiencies onto compliant, paying consumers while significant recoverable amounts remain unaddressed. Third, the public notice process appears to have been inadequately publicized. Effective public participation requires timely and wide dissemination of information. Limited awareness among residents undermines the spirit of transparency and stakeholder consultation. A tariff increase under these circumstances would be unjustified and inequitable, particularly for domestic consumers who already shoulder a substantial portion of the revenue base. Operational inefficiencies and weak recovery mechanisms should not be converted into additional financial burden on sincere citizens. In view of the above, I respectfully urge the Commission to reject the current petition and require DHBVN to first strengthen recovery efforts, improve operational efficiency, and present a transparent and evidence-based justification before considering any tariff revision. | reduction are ongoing as per regulatory framework.                                                                                                                                                                                                                                                                |
| 21.    | Chamber of Industries of Udyog Vihar (Ashok Kohli, President) | Udyog Vihar Industrial Area, Gurugram | <b>Vide mail dated 10.02.2026</b><br><b>1. POWER AVAILABILITY:</b><br>Power is available 24 hours on record, but the quality of power is missing, which is very important in today's time. One dip in voltage/outage for one minute brings costly production losses/wastages/rejections. In some cases, heavy losses occur due to high voltage, and there is no protection for such occurrences.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | DHBVNL submitted that tariff revision has been undertaken after a long period of about 7 years to align tariffs with approved costs as mandated under the Electricity Act, 2003. The levy of fixed charges forms part of the two-part tariff structure recognized under Section 62 of the Act and National Tariff |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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|        |                  |                        | <p>Consumers have to face damages worth lakhs.</p> <p><b>2. INFORMATION / STATUS UPDATE:</b><br/>The Urja Mitra app was in place a few years back but is now not operational. Regular information is not being sent to consumers. This should be activated in spirit to at least bring some transparency.</p> <p><b>3. PREVENTIVE MAINTENANCE:</b><br/>Preventive maintenance is the key point in today's challenging times. DHBVN has the power to deliver to us, but how to deliver that is the main focus now. Preventive maintenance/replacement of worn-out parts such as Jio switches, fuse carriers, etc., is not being done, resulting in frequent breakdowns. Meters are not installed properly. Most of the hardware is left open to the mercy of the environment, cattle, garbage boxes, etc. These also sometimes become sources of fire. Transformers are never checked and are only attended to when they fail to perform. Over loading of transformers is not checked.</p> <p><b>4. SHUTDOWNS:</b> Shut downs are not planned properly. Main permit is taken, but material and labour are not available, and the work is hurriedly done with substandard quality. At least 48 hours' notice should be given before shutdowns to enable consumers to adjust their needs.</p> <p><b>5. PRIVATISATION OF MAINTENANCE:</b><br/>It is done in Udyog Vihar, which has improved complaint redressal. However, to reduce the number of breakdowns/complaints, old, worn-out and obsolete systems need replacement at the level of L.T. distribution.<br/>We request you to please advise DHBVN to overcome the above challenges.</p> | <p>Policy to recover infrastructure and capacity-related costs. With respect to supply quality, DHBVNL submitted that continuous efforts are being made to improve voltage stability, reliability and service standards. The other suggestions relating to power quality, preventive maintenance, shutdown planning and operational matters do not fall within the scope of the ARR proceedings and are required to be addressed separately; however, DHBVNL has noted the suggestions and will endeavor to improve distribution infrastructure and service quality.</p> |

| Sr. No | Name of Objector         | Organization / Address             | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| 22.    | Ashok Kumar Goel         | E-44, Suncity, Sector-54, Gurugram | <p>Mail dated 12.02.2026<br/>I am writing to register my strong objection to the proposed approval of ARR for FY 2026–27 and the consequent tariff hike sought by DHBVN.</p> <p>The petition presented by DHBVN is fundamentally flawed and unjustified:</p> <ul style="list-style-type: none"> <li>- The claimed revenue gap of INR 5261.23 crore for FY 2024–25 is being carried forward without transparent justification or accountability.</li> <li>- The petition completely ignores recovery from defaulters, which currently amounts to approximately INR 8500 crore. This omission is unacceptable. Recovery of these dues must be prioritized before burdening honest, paying consumers.</li> <li>- Public notices regarding this matter were inadequately publicized, undermining the principle of fair public participation. Citizens were deprived of timely information.</li> </ul> <p>It is unjust and inequitable to impose the burden of DHBVN's inefficiency on sincere domestic consumers. The Commission must reject this petition and prevent an unwarranted tariff hike.</p> | <p>DHBVNL submitted that the tariff revision has been undertaken after a prolonged period of around seven years and was required to align tariffs with the approved cost of supply in accordance with the Electricity Act, 2003. The levy of fixed charges forms part of the two-part tariff structure recognized under Section 62 of the Electricity Act and the National Tariff Policy, which provides for recovery of infrastructure and capacity-related costs independent of actual energy consumption.</p> <p>With respect to issues regarding power quality, preventive maintenance, information updates and shutdown planning, DHBVNL submitted that such suggestions do not fall within the scope of the ARR proceedings and are required to be addressed separately. However, DHBVNL has taken note of the suggestions and will continue to undertake efforts to improve voltage stability, system reliability and overall service standards.</p> |
| 23.    | B.S. Yadav / M.P. Sharma | Hit Samiti, Gurugram               | <p>Vide mail dated 12.02.2026<br/>It is observed that the power tariff has been revised during April 2025 and the frequent revision is not justifiable as there is already heavy load of different type of high charges etc. We hope, you will realise the heavy load of charges on the consumers and postpone the same for some more considerable time in the interest of general public etc.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <p>Tariff determination is undertaken under the Electricity Act and Tariff Policy to ensure cost-reflective tariffs.</p> <p>Revision in April 2025 was after a long gap and necessary for financial sustainability and reliable power supply.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

| Sr. No | Name of Objector                                                        | Organization / Address                        | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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| 24.    | United Gurugram RWAs (UGR) – through Praveen Yadav & Chaitali Mandhotra | Association representing RWAs across Gurugram | Opposed approval of ARR for FY 2026-27 and recovery of revenue gap. Key concerns: (i) Carry forward of revenue gap of ₹5261.23 Cr. (ii) Consumers being burdened despite tariff increase in April 2025. (iii) Tariff calculation not transparent. (iv) Regular bill-paying consumers bearing burden of cross-subsidy. (v) Recovery of default amount (~₹8500 Cr) not addressed. (vi) Need for proper cost calculation and recovery from defaulters instead of tariff hike. | <p>It is respectfully submitted that the ARR and revenue gap for FY 2024–25 and FY 2026–27 have been computed strictly in accordance with the Electricity Act, 2003 and the HERC MYT Regulations, based on audited data and prudently incurred costs.</p> <p>The carry forward of revenue gap is as per the regulatory framework, which provides for adjustment of surplus/deficit in subsequent years. The tariff revision implemented in April 2025 was undertaken after a long gap to align tariffs with approved costs, and its full impact is expected to materialise progressively.</p> <p>It is clarified that outstanding dues of consumers are not admissible cost elements under ARR and cannot be adjusted against the revenue gap. Recovery of such dues is a separate operational exercise undertaken as per statutory provisions.</p> <p>Cross-subsidy is determined by the Hon'ble Commission in accordance with the Electricity Act, and the Discom has no role in altering the same. Tariff determination is based on cost-to-serve principles and follows a transparent regulatory process with public consultation.</p> <p>Accordingly, the objections raised are not tenable within the</p> |

| Sr. No | Name of Objector      | Organization / Address                        | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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| 25.    | Chandra Prakash Goyal | Housing Board Colony, Sector-31/32A, Gurugram | <p>Vide mail dated 13.02.2026</p> <p>This is with reference to the recent public meeting chaired by the Hon'ble Chairman, HERC, Sh. Nand Lal Sharma, along with the Managing Director, DHBVN, Sh. Vikram Singh, regarding the petition filed by DHBVN seeking approval of Aggregate Revenue Requirement (ARR) for FY 2026-27 and the proposed tariff revision. It has been stated that DHBVN has reported a revenue gap of INR 5,261.23 crore for FY 2024-25 and has requested the Commission to allow this gap to be carried forward into the ARR of FY 2026-27, thereby enabling an increase in consumer tariff.</p> <p>As responsible taxpayers and residents of Gurgaon, we strongly oppose this proposed hike. Consumers are being burdened year after year with increased tariffs, while systemic inefficiencies and financial gaps continue to persist. The proposed increase appears unjustified and does not seem to be based on an accurate and transparent calculation of the actual cost of service.</p> <p>Further, the petition does not adequately address the substantial outstanding dues from defaulters, reportedly amounting to approximately INR 8,500 crore. Effective recovery of these dues would significantly reduce the revenue gap and lessen the burden on honest, paying consumers. Passing on the financial inefficiencies of the Discom to compliant consumers is neither equitable nor sustainable.</p> <p>In view of the above, we request the Hon'ble Commission not to approve the proposed ARR for FY 2026-27 in its present form and to direct DHBVN to first strengthen recovery mechanisms, improve operational efficiency, and ensure</p> | <p>ARR and revenue gap have been computed strictly in accordance with the Electricity Act, 2003 and MYT Regulations based on prudently incurred costs.</p> <p>Outstanding dues are not admissible cost elements and cannot be considered in tariff determination. Recovery from defaulters is a separate operational matter.</p> <p>Tariff is determined on cost-to-serve principles and not on debtor balances. Objections do not affect regulatory computation.</p> |

| Sr. No | Name of Objector  | Organization / Address                 | Main Concern / Issue Raised                                                                                                                                                                                                                                                   | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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|        |                   |                                        | financial discipline before considering any tariff increase. We hope the Commission will safeguard the interests of law-abiding consumers and ensure fairness and transparency in its decision-making process.                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 26.    | Chiranjiv Dua     | E-82, FF, Suncity, Sector-54, Gurugram | Opposed increase in electricity tariff stating that it is not based on actual cost of service. Highlighted that recovery from defaulters is not clearly mentioned. Also pointed out lack of publicity of public notice regarding tariff hearing.                              | Tariff determination is undertaken strictly under Sections 61 and 62 of the Electricity Act, 2003 based on ARR after prudence checks by the Commission. The tariff reflects actual cost of service and is not arbitrary. Recovery from defaulters is an ongoing operational activity through statutory mechanisms; however, tariff determination cannot depend on uncertain recoveries. As held by the Hon'ble Supreme Court in WBERC v. CESC Ltd., tariff must allow recovery of prudently incurred costs. Further, public notice was duly published in compliance with Section 64(2) of the Act and HERC Conduct of Business Regulations. Hence, the allegation of lack of publicity is incorrect. |
| 27.    | Dr. Poonam Sharma | C-15, Suncity, Sector-54, Gurugram     | Strong objection to ARR approval and tariff hike. Raised issues regarding carrying forward revenue gap of ₹5261.23 Cr without justification, non-recovery of dues from defaulters (~₹8500 Cr), and inadequate publicity of public notice. Requested rejection of tariff hike. | Revenue gap has been computed under ARR as per Sections 61 and 62 of the Electricity Act and MYT Regulations. Carry-forward is a recognized regulatory practice. Recovery from defaulters is a separate process and cannot be linked with tariff determination. Public notice was duly issued as per statutory requirements. Hence,                                                                                                                                                                                                                                                                                                                                                                  |

| Sr. No | Name of Objector                                                | Organization / Address                              | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                  |
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|        |                                                                 |                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | objections are without merit.                                                                                                                                                                                                                                                                                                                                                                            |
| 28.    | <b>Himani Mittal</b>                                            | E-70, First Floor, Suncity, Sector-54, Gurugram     | <p>Vide Mail dated 12.02.2026 I am writing to register my strong objection to the proposed approval of ARR for FY 2026–27 and the consequent tariff hike sought by DHBVN.</p> <p>The petition presented by DHBVN is fundamentally flawed and unjustified:</p> <ul style="list-style-type: none"> <li>- The claimed revenue gap of INR 5261.23 crore for FY 2024–25 is being carried forward without transparent justification or accountability.</li> <li>- The petition completely ignores recovery from defaulters, which currently amounts to approximately INR 8500 crore. This omission is unacceptable. Recovery of these dues must be prioritized before burdening honest, paying consumers.</li> <li>- Public notices regarding this matter were inadequately publicized, undermining the principle of fair public participation. Citizens were deprived of timely information.</li> </ul> <p>It is unjust and inequitable to impose the burden of DHBVN's inefficiency on sincere domestic consumers. The Commission must reject this petition and prevent an unwarranted tariff hike.</p> | <p>ARR is based on prudently incurred costs under MYT Regulations.</p> <p>Outstanding dues are not part of ARR and cannot offset tariff determination.</p> <p>Public notice has been duly issued as per statutory provisions. Objections are without merit.</p>                                                                                                                                          |
| 29.    | <b>Justice Dharmesh Sharma (Former Judge, Delhi High Court)</b> | House No. 24, Block-B, Suncity, Sector-54, Gurugram | <p>Raised preliminary objection regarding non-compliance with Section 64 of the Electricity Act, 2003, alleging inadequate public notice and insufficient opportunity to file objections. Requested rejection or substantial reduction of ARR, directions to improve operational efficiency, transparency in cost data, and fresh hearing after proper notice.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <p>Tariff proceedings have been conducted strictly in accordance with Section 64 of the Electricity Act and HERC Regulations. Public notices were duly published in newspapers as prescribed, individual notice (e.g., SMS) is not mandated.</p> <p>Cost of Service studies are being undertaken and submitted as per directions of the Commission and APTEL. ARR and tariff are determined based on</p> |



| Sr. No | Name of Objector                | Organization / Address                           | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                             |
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|        |                                 |                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | regulatory framework, audited data, and prudence checks. Revenue gap, tariff revisions, and subsidy adjustments are governed by statutory provisions and MYT Regulations. Tariff determination balances consumer interest and financial viability of utilities, as upheld by the Hon'ble Supreme Court. Accordingly, objections regarding non-compliance, inefficiency, and lack of transparency are without merit. |
| 30.    | <b>Kuldeep Rana (President)</b> | Suncity RWA, Sector-54, Gurugram                 | Vide mail dated 12 <sup>th</sup> Feb. 2026<br>The Tariff increase is unjustified and not based on proper analysis and calculations.<br>Please do not give unnecessary burden to residents.<br>Hope you understand this and act accordingly.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Tariff determination has been carried out strictly in accordance with MYT Regulations and Electricity Act.<br>ARR components are based on audited data and prescribed methodology.<br>Tariff proposal is not arbitrary.                                                                                                                                                                                             |
| 31.    | <b>Kumud Vikas Chopra</b>       | 1682A, Housing Board Colony, Sector-31, Gurugram | Vide mail dated 13.02.2026<br>Subject: Objection to Proposed Tariff Hike and ARR Approval for FY 2026–27<br>This is with reference to the recent public meeting chaired by the Hon'ble Chairman, HERC, Sh. Nand Lal Sharma, along with the Managing Director, DHBVN, Sh. Vikram Singh, regarding the petition filed by DHBVN seeking approval of Aggregate Revenue Requirement (ARR) for FY 2026–27 and the proposed tariff revision. It has been stated that DHBVN has reported a revenue gap of INR 5,261.23 crore for FY 2024–25 and has requested the Commission to allow this gap to be carried forward into the ARR of FY 2026–27, thereby enabling an increase in consumer tariff. As responsible taxpayers and residents of Gurgaon, we strongly | ARR and revenue gap are computed as per Electricity Act and MYT Regulations.<br>Outstanding dues are not admissible cost components.<br>Recovery is a separate process; tariff is based on cost-to-serve.<br>Public notice compliance has been ensured.<br>Objections do not affect ARR computation.                                                                                                                |

| Sr. No | Name of Objector | Organization / Address                | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Discom Reply / Comments                                                                                                                                                                                                                                                                                                      |
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|        |                  |                                       | oppose this proposed hike. Consumers are being burdened year after year with increased tariffs, while systemic inefficiencies and financial gaps continue to persist. The proposed increase appears unjustified and does not seem to be based on an accurate and transparent calculation of the actual cost of service. Further, the petition does not adequately address the substantial outstanding dues from defaulters, reportedly amounting to approximately INR 8,500 crore. Effective recovery of these dues would significantly reduce the revenue gap and lessen the burden on honest, paying consumers. Passing on the financial inefficiencies of the Discom to compliant consumers is neither equitable nor sustainable. In view of the above, we request the Hon'ble Commission not to approve the proposed ARR for FY 2026-27 in its present form and to direct DHBVN to first strengthen recovery mechanisms, improve operational efficiency, and ensure financial discipline before considering any tariff increase. We hope the Commission will safeguard the interests of law-abiding consumers and ensure fairness and transparency in its decision-making process. |                                                                                                                                                                                                                                                                                                                              |
| 32.    | Kishan Loiwal    | B-1, GF, Suncity, Sector-54, Gurugram | Vide email Dated 16.02.2026<br>I am writing to register my strong objection to the proposed approval of ARR for FY 2026-27 and the consequent tariff hike sought by DHBVN.<br>The petition presented by DHBVN is fundamentally flawed and unjustified:<br>- The claimed revenue gap of INR 5261.23 crore for FY 2024-25 is being carried forward without transparent justification or accountability.<br>- The petition completely ignores recovery from defaulters, which                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | ARR and revenue gap have been computed strictly as per the Electricity Act, 2003 and HERC MYT Regulations based on approved cost components. Outstanding dues from consumers are not admissible cost elements in ARR and cannot be used to offset tariff determination. Recovery of dues is a separate operational function. |

| Sr. No | Name of Objector                                                                          | Organization / Address                          | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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|        |                                                                                           |                                                 | <p>currently amounts to approximately INR 8500 crore. This omission is unacceptable. Recovery of these dues must be prioritized before burdening honest, paying consumers.</p> <p>- Public notices regarding this matter were inadequately publicized, undermining the principle of fair public participation. Citizens were deprived of timely information. It is unjust and inequitable to impose the burden of DHBVN's inefficiency on sincere domestic consumers. The Commission must reject this petition and prevent an unwarranted tariff hike.</p>                                                                                                         | <p>Tariff is based on cost-to-serve principles and audited data, not on unrecovered receivables. Public notices were duly issued in compliance with regulatory provisions. Hence, objections do not affect ARR computation.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 33.    | <b>Cellular Operators Association of India (COAI) – through Lt. Gen. Dr. S.P. Kochhar</b> | Telecom Industry Association, New Delhi         | <p>Email dated 11.02.2026</p> <p>The Telecom Industry wishes to humbly submit its suggestions and submissions in response to the Public Notice issued, wherein the Hon'ble Commission had invited comments/objections/submissions on the Aggregate Revenue Requirement ("ARR") and Tariff Proposals for FY 2026-27.</p> <p>We respectfully request the Hon'ble Commission to:</p> <p>i. Reduce the electricity tariff &amp; provide concessions to Telecom.</p> <p>ii. Define Green Energy Open Access (GEOA) transmission &amp; distribution charges and losses applicable for LT consumers connected at &lt;= 11 kV to enable Telecom to adopt Green Energy.</p> | <p>DHBVNL submitted that the tariff revision has been undertaken after a long gap and is aimed at aligning tariffs with approved costs as mandated under the Electricity Act, 2003. The tariff applicable to consumers is strictly in accordance with the Tariff Schedule approved by the Hon'ble Commission and therefore no concession or deviation can be granted unless approved by the Commission.</p> <p>Regarding Green Energy Open Access (GEOA) transmission and distribution charges, DHBVNL submitted that the same are governed by the HERC (Green Energy Open Access) Regulations, 2023 and are levied strictly as per the methodology prescribed under those regulations.</p> |
| 34.    | <b>Mohit Gandhi</b>                                                                       | C-94, First Floor, Suncity, Sector-54, Gurugram | <p>Opposed approval of ARR and tariff hike. Stated that the revenue gap of ₹5261.23 crore is being carried forward without transparency; recovery of around ₹8500 crore from defaulters has not been</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <p>At the outset, it is respectfully submitted that the issues raised regarding tariff increase, revenue gap, and burden on consumers have been</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

| Sr. No | Name of Objector          | Organization / Address                           | Main Concern / Issue Raised                                                                                                                                                                                     | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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|        |                           |                                                  | addressed; public notice/public participation was inadequate.                                                                                                                                                   | <p>addressed in accordance with the Electricity Act, 2003 and the HERC MYT Regulations.</p> <p>The ARR and revenue gap have been computed based on prudently incurred costs and audited data, and do not include outstanding dues or inefficiencies. Recovery of such dues is a separate operational matter.</p> <p>Tariff revision has been undertaken after a prolonged period to align tariffs with approved costs and ensure financial sustainability of the distribution system. Cross-subsidy and tariff structure are determined by the Hon'ble Commission, and the Discom only implements the same.</p> <p>Accordingly, the objections raised do not affect the regulatory basis of tariff determination.</p> |
| 35.    | <b>Major K.J.S. Gurna</b> | E-73, Ground Floor, Suncity, Sector-54, Gurugram | Similar objection stating that the ARR proposal is unjustified, revenue gap carried forward without justification, recovery from defaulters ignored AND tariff increase would unfairly burden honest consumers. | <p>Revenue gap is determined based on ARR under Sections 61 and 62 of the Electricity Act and is allowed to be carried forward as per MYT Regulations after prudence checks.</p> <p>Recovery from defaulters is a separate statutory process and cannot be linked to tariff determination. As held by the Hon'ble Supreme Court, tariff must ensure recovery of legitimate costs.</p> <p>Public notices were duly published in compliance with Section 64(2) and applicable regulations.</p> <p>Accordingly, objections are without merit.</p>                                                                                                                                                                        |

| Sr. No | Name of Objector | Organization / Address      | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Discom Reply / Comments                                                                                                                                                                                                                                                    |
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| 36.    | Mukul Swaroop    | C-1/4 DLF Phase-1, Gurugram | <p>Email dated: 13.02.2026</p> <p>This is with reference to the recent public meeting chaired by the Hon'ble Chairman, HERC, Sh. Nand Lal Sharma, along with the Managing Director, DHBVN, Sh. Vikram Singh, regarding the petition filed by DHBVN seeking approval of Aggregate Revenue Requirement (ARR) for FY 2026–27 and the proposed tariff revision. It has been stated that DHBVN has reported a revenue gap of INR 5,261.23 crore for FY 2024–25 and has requested the Commission to allow this gap to be carried forward into the ARR of FY 2026–27, thereby enabling an increase in consumer tariff.</p> <p>As responsible taxpayers and residents of Gurgaon, we strongly oppose this proposed hike. Consumers are being burdened year after year with increased tariffs, while systemic inefficiencies and financial gaps continue to persist. The proposed increase appears unjustified and does not seem to be based on an accurate and transparent calculation of the actual cost of service.</p> <p>Further, the petition does not adequately address the substantial outstanding dues from defaulters, reportedly amounting to approximately INR 8,500 crore. Effective recovery of these dues would significantly reduce the revenue gap and lessen the burden on honest, paying consumers. Passing on the financial inefficiencies of the Discom to compliant consumers is neither equitable nor sustainable.</p> <p>In view of the above, we request the Hon'ble Commission not to approve the proposed ARR for FY 2026–27 in its present form and to direct DHBVN to first strengthen recovery mechanisms, improve operational efficiency, and ensure financial discipline before considering any tariff increase.</p> | <p>ARR and revenue gap are computed under Electricity Act and MYT Regulations.</p> <p>Outstanding dues are not part of ARR.</p> <p>Recovery is a separate operational process; tariff is based on cost-to-serve principles.</p> <p>Public notice has been duly issued.</p> |

| Sr. No | Name of Objector                                                                    | Organization / Address                          | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                            | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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|        |                                                                                     |                                                 | We hope the Commission will safeguard the interests of law-abiding consumers and ensure fairness and transparency in its decision-making process.                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 37.    | <b>M.P.S. Bora</b>                                                                  | B-79, First Floor, Suncity, Sector-54, Gurugram | Objected to ARR approval citing ambiguous calculation of cost of service and non-recovery of around ₹8500 crore dues. Also stated that the public notice for the hearing was inadequately publicized.                                                                                                                  | <p>Tariff proposal is based on ARR determined under Sections 61 and 62 of the Electricity Act, supported by audited financials and subject to prudence checks under MYT Regulations.</p> <p>Recovery of dues is a separate enforcement activity and cannot be linked to tariff determination. As per judicial principles, tariff must ensure recovery of legitimate costs.</p> <p>Public notice was duly published as per statutory provisions. Hence, objections are not tenable.</p> |
| 38.    | <b>Neha Khatter</b>                                                                 | D-106, Suncity, Sector-54, Gurugram             | Opposed the tariff hike stating that the revenue gap lacks transparency and accountability. Requested prioritizing recovery of defaulted dues and preventing shifting of operational inefficiencies onto honest consumers.                                                                                             | <p>Revenue gap forms part of ARR and its carry-forward is permitted under MYT Regulations subject to prudence checks.</p> <p>Recovery of outstanding dues is a separate operational process and tariff cannot depend on uncertain recoveries.</p> <p>Public notice was duly published in compliance with Section 64 of the Electricity Act. Therefore, objections are without merit.</p>                                                                                               |
| 39.    | <b>Ardee City Residents' Welfare Association (through Praveen Yadav, President)</b> | Ardee City, Sector-52, Gurugram                 | Vide email dated: 10.02.2026<br>Subject: Approval not to be given by HERC to DHBVN/UHBVN for recovery of outstanding gap shown in Aggregate Revenue Requirement for FY 2026-2027.<br>After going through Petition No. 95 of 2025 filed by DHBVN and Petition No. 94 of 2025 filed by UHBVN in HERC, we as residents of | DHBVNL submitted that the carry-forward of revenue gap has been proposed strictly in accordance with the provisions of the HERC MYT Regulations, 2024 which provide for adjustment of revenue gap or surplus determined                                                                                                                                                                                                                                                                |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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|        |                  |                        | <p>Ardee City strongly oppose and state that no approval should be given to DHBVN/UHBVN to recover the so-called outstanding gap in Aggregate Revenue Requirement for FY 2026-2027.</p> <p>The revenue gap of Haryana Discom for FY 2024-25 as shown in the petition is INR 5261.23 crore, and the petitioner is requesting the Commission to carry forward this gap in ARR of FY 2026-27.</p> <p>HERC increased the tariff effective April 1, 2025 for FY 2025-2026 substantially for DHBVN and UHBVN and also introduced fixed charges to address the revenue gap of ₹3262 crore in 2023-24.</p> <p>Are we as consumers, who are increasing in number every year and thereby effectively contributing to the revenue of the Discom, are we to bear the brunt of mismanagement by the Discom?</p> <p>What is the basis for working out the calculation for cost of service? It appears that the tariff is being randomly increased without proper assessment.</p> <p>Why are the consumers of Gurugram and Faridabad, who pay their bills timely, being penalized to support the State of Haryana in the name of cross-subsidization?</p> <p>Why are the consumers who regularly and diligently pay the increased electricity tariff being subjected to this burden while those defaulting are left out? It is known that the default amount is around INR 8500 crore, which finds no mention in the petition.</p> <p>The purchase of power by the concerned authority of the State lacks diligence. It should assess the requirement appropriately so as to focus on long-term purchase. This way, the rates would be lower.</p> <p>At present, the loans for short-term borrowing are to the tune of 40 percent, which is huge and carries higher interest rates. Why cannot the long-term borrowing</p> | <p>during true-up in subsequent years. Tariff revision undertaken from April 2025 was necessitated after a prolonged period of about seven years to align tariffs with the approved Aggregate Revenue Requirement as mandated under Sections 61 and 62 of the Electricity Act, 2003. Fixed charges form part of the two-part tariff structure recognised under the Electricity Act and National Tariff Policy for recovery of network and capacity-related costs. Cost of service is determined based on ARR components and sales projections as per the MYT Regulations. Cross-subsidy is a statutory feature permitted under Section 61(g) of the Electricity Act and is determined by the Hon'ble Commission as part of tariff design. Outstanding dues of defaulting consumers are recovered through separate statutory mechanisms and do not form part of the ARR cost computation. Power procurement planning involves a balanced mix of long-term, medium-term and short-term procurement to address demand variability and system reliability. Long-term and short-term borrowings serve different purposes, with short-term borrowings primarily addressing working capital requirements. The difference between</p> |

| Sr. No | Name of Objector | Organization / Address                 | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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|        |                  |                                        | <p>percentage be increased substantially?</p> <p>One thing that we as an association could not understand is that the balance sheet is showing profit but the ARR is showing loss. This clearly shows that the actual cost is far from the ARR being estimated for 2026-27. Again, we would reiterate that the cost calculation has no proper basis.</p> <p>Electricity Act Section 62 states that the regulator can increase tariff when the utility requests for it. Has the utility requested for the increase in tariff?</p> <p>The public hearing goes unnoticed by the consumers because of almost no publicity of such hearing. The public is not being given a fair chance to be heard. They are only forced to accept an increased tariff as we have no choice. We have only one distributor.</p> <p>Our humble submission to the Honourable Commission is not to approve any kind of tariff raise for FY 2026-27 and to direct the Discom to:</p> <ol style="list-style-type: none"> <li>1. Calculate the cost fairly and not randomly.</li> <li>2. Focus on equally benefiting all consumers in terms of tariff and not favor only a handful.</li> <li>3. Focus on recovery of default amount.</li> </ol> | <p>accounting profit and ARR revenue gap arises because financial statements are prepared under the Companies Act whereas ARR is computed under the MYT regulatory framework. Tariff determination is carried out by the Commission under Sections 62 and 64 of the Electricity Act following the statutory procedure including filing of petition, public notice, stakeholder consultation and public hearing. DHBVNL has complied with requirements relating to publication of public notice. The concerns raised by the objector have been noted and the ARR has been computed strictly as per the applicable regulatory framework while efforts continue to ensure financial prudence and operational efficiency.</p> |
| 40.    | Priyesh Dagdi    | D-76, FF, Suncity, Sector-54, Gurugram | <p>Email dated 12 Feb 2026</p> <p>I am writing to register my strong objection to the proposed approval of ARR for FY 2026-27 and the consequent tariff hike sought by DHBVN.</p> <p>The petition presented by DHBVN is fundamentally flawed and unjustified:</p> <ul style="list-style-type: none"> <li>- The claimed revenue gap of INR 5261.23 crore for FY 2024-25 is being carried forward without transparent justification or accountability.</li> <li>- The petition completely ignores recovery from defaulters, which currently amounts to</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <p>At the outset, it is respectfully submitted that the Aggregate Revenue Requirement (ARR) and the revenue gap for FY 2024-25 have been computed strictly in accordance with the provisions of the Electricity Act, 2003 and the HERC MYT Regulations. The ARR is based on prudently incurred and regulatorily admissible costs such as power purchase cost, employee expenses,</p>                                                                                                                                                                                                                                                                                                                                      |



| Sr. No | Name of Objector     | Organization / Address                        | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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|        |                      |                                               | <p>approximately INR 8500 crore. This omission is unacceptable. Recovery of these dues must be prioritized before burdening honest, paying consumers.</p> <p>- Public notices regarding this matter were inadequately publicized, undermining the principle of fair public participation. Citizens were deprived of timely information. It is unjust and inequitable to impose the burden of DHBVN's inefficiency on sincere domestic consumers. The Commission must reject this petition and prevent an unwarranted tariff hike.</p> | <p>R&amp;M, depreciation, interest and return on equity, and not on assumptions relating to non-recovery from individual consumers. It is clarified that outstanding dues of consumers are not admissible cost elements under the MYT framework and cannot be treated as pass-through in tariff determination. The regulatory methodology does not permit inclusion of unrecovered receivables in ARR. Recovery of such dues is a separate operational function governed by statutory provisions and Supply Code. Further, working capital requirement has been computed strictly as per regulatory norms based on revenue actually realised/expected to be realised, and not on total billed revenue. Accordingly, outstanding dues do not offset the revenue gap in tariff computation. It is further submitted that public notices were duly issued in compliance with regulatory provisions in widely circulated newspapers in Hindi and English, ensuring adequate public participation. Therefore, the objections do not affect the regulatory basis of ARR determination.</p> |
| 41.    | <b>Prodeep Ghosh</b> | C-38, 3rd Floor, Suncity, Sector-54, Gurugram | Email dated 12.02.2026<br>I am writing to register my strong objection to the proposed approval of ARR for FY 2026-27 and the consequent tariff hike sought by DHBVN.                                                                                                                                                                                                                                                                                                                                                                 | The ARR and revenue gap have been determined strictly in accordance with the Electricity Act, 2003 and MYT Regulations, DHBVN.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

| Sr. No | Name of Objector        | Organization / Address                        | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|        |                         |                                               | <p>The petition presented by DHBVN is fundamentally flawed and unjustified:</p> <ul style="list-style-type: none"> <li>- The claimed revenue gap of INR 5261.23 crore for FY 2024–25 is being carried forward without transparent justification or accountability.</li> <li>- The petition completely ignores recovery from defaulters, which currently amounts to approximately INR 8500 crore. This omission is unacceptable. Recovery of these dues must be prioritized before burdening honest, paying consumers.</li> <li>- Public notices regarding this matter were inadequately publicized, undermining the principle of fair public participation.</li> <li>- Citizens were deprived of timely information.</li> </ul> <p>It is unjust and inequitable to impose the burden of DHBVN's inefficiency on sincere domestic consumers. The Commission must reject this petition and prevent an unwarranted tariff hike.</p> | <p>based on audited data and prudently incurred costs.</p> <p>Outstanding dues of consumers are not part of ARR computation and cannot be considered for tariff determination, as unrecovered receivables are not admissible cost elements under the regulatory framework. Recovery of such dues is an ongoing operational process.</p> <p>Further, tariff determination is based on cost-to-serve principles and regulatory norms, not on debtor balances. Public notices were duly issued as per statutory requirements, ensuring transparency and stakeholder participation. Hence, the objections are not sustainable within the regulatory framework.</p> |
| 42.    | Dr. Rattan Pal Khattana | IMT Sohna (address mentioned in hearing form) | <p>Email dated 10.02.2026<br/> <b>Sub: Electricity issues of IMT Sohna &amp; Nuh Industrial Area (Rozka-Meo).</b></p> <p>We take this opportunity to draw your attention to certain key issue which have been engaging our minds so far as the industrial development of ROZKA-MEO, DISTT MEWAT.</p> <p><b>ROZKA-MEO:</b><br/>         Sir, Roz-ka-Meo Industrial Complex was established in 1984 and is located on Sohna Alwar road, around five kilometers away from Sohna town. Many big and small business houses have set up their units along with a few NRI's. Various subsidies were offered to initial investors, all aimed at generating revenues from this area and providing employment to the local youth.</p>                                                                                                                                                                                                      | <p>It is respectfully submitted that issues relating to quality and reliability of power supply are operational in nature and do not fall within the scope of ARR and tariff determination proceedings.</p> <p>Nevertheless, DHBVN is continuously undertaking measures to improve supply conditions, strengthen infrastructure, and enhance service quality for consumers.</p> <p>Tariff determination is carried out separately in accordance with the Electricity Act, 2003 and applicable Regulations based on approved costs.</p>                                                                                                                         |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Discom Reply / Comments                             |
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|        |                  |                        | <p>With passage of time and lack of infrastructure, the industrial unit of Roz-ka-Meo has degraded and ultimately the beautiful complex of industrial cluster has been converted to abandon buildings. Entrepreneurs have shifted their production units to other lucrative areas primarily due to absence of essential services required for running factories.</p> <p>We, the members of IMT Sohna &amp; Nuh Industrial Association would like to draw your kind attention towards one of the major issues is Electricity. Shortage of Electricity is one of the major concern of the industries. The department does not provide regular supply of electricity (power outages along with voltage fluctuations) and hence the factory owners were using their resources to run their factory by generating local power through D.G. set installed by them. The Daily power cuts 6-7 hrs daily in summer season and 3-4 hrs in winter season. During this period factories get closed, Lot of wastages i.e. Labour, material etc. Rebate on account of maintaining higher power factor above 0.9 is being denied best known to DHBVNL only, whereas in case of not maintaining power factor above 0.9, we are being penalized by way of surcharge. Peak load charges were charged from us.</p> <p>The resolution of electricity can enable the upliftment of this industrial complex of Roz-ka-meo and to help us in running our factories, and hence to increase the revenue generation and development of the area.</p> <p><b>Shortage of power:</b> Availability of power is 16-18 hrs round the clock.</p> <p><b>Shortage of manpower:</b> Only 3 manpower is available for maintenance in the Rozka meo Indl area</p> | Accordingly, the objection does not impact the ARR. |

| Sr. No | Name of Objector                                                               | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                    |
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|        |                                                                                |                        | <p><b>Billing issues:</b> Municipal Taxes being charged in Rozka meo indl area</p> <p><b>Power Trippings:</b> Frequent Power fluctuation and Severe, sometime frequent unannounced power cuts.</p> <p><b>Lack of Interdepartmental coordination:</b> Very poor Co-ordination between HVPNL and DHBVN (South), due to that industry suffered lot, ie permit for maintenance not issued timely.</p> <p><b>Old Infrastructure breakdowns:</b> Response failure ignored by DHBVN- Minor or major Maintenance, even their case at Line and Power Station is going very high. Frequent shutdown Capacitor Bank at Power House which they ignored and due to plant suffer lot. Businesses faces losses due to interrupted operation.</p> <p><b>Power supply diversion to the residential societies despite of shortage:</b> Sohna town has drastically increased residential societies and most of the power supply diverted to the areas despite of shortage of electric supply to the industries.</p> <p>We put a sincere request to you to kindly advice to Concern the department heads to investigate the above-mentioned problem and resolve the practical aspects of our above grievances.</p> |                                                                                                                                                                                                                                                                                                                                                                                            |
| 43.    | <b>Manesar Industries Welfare Association (MIWA) – Rajesh Gupta, President</b> | IMT Manesar, Gurugram  | <p>Email dated 10.02.2026</p> <p>Most respectfully we wish to introduce ourselves as Manesar Industrial Welfare Association (MIWA), an industrial association in the state of Haryana and the neighboring states and have our head quarter at Gurugram. We have been proactively participating with the district and state level administration to resolve different issues concerning growth and development of industry in the state.</p> <p>The most recent issue which has been in serious discussion among</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Tariff revision, including increase in energy charges and fixed charges, has been undertaken in accordance with the Electricity Act, 2003 and HERC MYT Regulations after a long gap, to align tariffs with approved and prudently incurred costs. Fixed charges are part of the approved two-part tariff structure to recover network and capacity-related costs. Cross-subsidy levels are |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Discom Reply / Comments                                                                                                                                                                                                                               |
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|        |                  |                        | <p>our members is the hike in electricity tariff, which has been announced recently by the Haryana Electricity Regulatory Commission (HERC). We have had a series of meetings with DISCOM officers in this regard and tried to find out the reasons for such an unprecedented hike. Though the officers have not been able to explain the exact reasons, yet we can guess it has been done to make up for the losses which both the distribution utilities have incurred and piled up during the last 4 (Four) years. "Four years" we are saying so because if we look at the DHBVN and UHBVN balance sheets ending March 2021, both the companies were reported to have recorded profits and the same had been widely publicised in the press and media at that time. General consumers of the state and specially the trade and industry in Haryana were happy to note about the profits and there were indications and expectations that the tariff henceforth would accordingly get reduced in the years to come.</p> <p>But contrary to our belief and expectations, this hike in tariff has been announced. On the basis of information which we have been able to gather from different sources in the distribution utilities, this hike in tariff had been demanded by both the DISCOMs in their respective Annual Revenue Reports (ARRs) filed before the HERC and it was reported to be to make up for the losses they had accumulated in the last 4 years estimated to be around Rs. 4800 crores (around Rs. 2800 crores of DHBVN and Rs. 2000 crores of UHBVN). These figures can be a bit more or less and can be best explained by the utilities themselves or by the Commission. It is obviously surprising that the companies which had recorded</p> | <p>determined by the Hon'ble Commission, and the Discom only implements the approved tariff.</p> <p>The ARR and revenue gap are based on audited data and regulatory norms, not on arbitrary losses. Accordingly, the objections are not tenable.</p> |

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|        |                  |                        | <p>profits of Rs. 800 crores in March 2021 have now recorded the losses of Rs. 4800 crores. This means the utilities have incurred losses of around Rs. 5600 crores in just last 4 years and we hope this figure is actually not more than what has been shown in the ARRs. As an association of trade and industry, we have some points of concern which we expect the Government of Haryana to look into and to investigate as to how and why the situation has been allowed to deteriorate so bad. We suppose that there would have been long discussions and arguments before the Hon'ble Commission on the basis of which the hike has been approved. We strongly feel that following issues need a quick attention of all the stake holders, specially the DISCOMs and the Commission:</p> <p>The Commission before allowing the hike in tariff should have exerted to find out the reasons of such high losses incurred by the distribution companies in the last 4 years</p> <p>DISCOMs should have made public the reasons responsible for eating up the profit of Rs. 800 crores and then landing up in losses of Rs. 4800 crores in just last 4 years</p> <p>The Aggregate Technical and Commercial (AT&amp;C) losses which have been shown by both the DISCOMs during last 4 years have a reducing trend year after year. Therefore, the DISCOMs should have earned more profit in the successive years but if they have instead ended up in losses, there could be a serious attempt on the part of DHBVN and UHBVN to manipulate and project wrong figures of AT&amp;C losses all these years, specially of the Domestic category</p> <p>The Electricity Act 2003 (section 61-g) envisages that cross subsidy should eventually go and should be</p> |                         |

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|        |                  |                        | <p>done away with in phases and that let the actual cost of service be recovered from each of the consumer category. But it has not happened even after 22 years of passing of the Act. Year after year, the industry and trade have been compensating for the inefficiencies on the part of DISCOMs and in fact have been subjected to cross subsidize other categories without any ray of hope in the future as well.</p> <p>A hike of 30 paise per unit has been effected in the new tariff structure for the industrial and commercial category consumer. In addition to this, the fixed charges per kVA have also been hiked from Rs. 165/- per kVA to Rs. 290/- per kVA. It may kindly be appreciated that the industry has already been reeling under heavy market pressures and cost competitiveness and it has been becoming more and more difficult to survive in the present scenario. A small industrial unit, which has 100 kVA of sanctioned load and a monthly consumption of 20000 units per month will now have to pay Rs. 18500/- extra every month due to this recent hike in tariff. It practically means that per unit tariff of Rs. 7.47/- which he was paying earlier will now shoot up to Rs. 8.40/-. Similarly, an industrial unit with 200 kVA of sanctioned load and having a consumption of 50,000 units per month has now to pay Rs. 40000/- extra every month. It practically means that he was paying Rs. 7.31/- per unit for which he shall now have to pay Rs. 8.11/- per unit. Apart from the substantial additional amount which one has to pay every month, the very basis of fixing up tariffs seems to be defective. As per present structure of 2-part tariff, the smaller the industrial unit in terms of consumption, the more cost per unit he has to pay whereas truly</p> |                         |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Discom Reply / Comments |
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|        |                  |                        | <p>speaking, the smaller unit should get a supportive tariff structure</p> <p>The billing previously was used to be done on kWh basis but because the consumers were not proactively maintaining their capacitor banks, the DISCOMs had to incur losses due to heavy drawl of reactive power and had to create new infrastructure to cater to new loads. But for the last 10 years, the billing is being done on kVAh basis and the losses on account of low power factor has been transferred to the consumers. In order to avoid losses on this account, most of the industry and trade are now maintaining a power factor as high as 0.98 or even 0.99. But the DISCOMs still use the factor of 0.9 to convert load from kW to kVA and book the installed capacities accordingly. If the DISCOMs become practical and start using a factor of 0.95 instead of 0.9, many new loads can be sanctioned and existing loads can be enhanced on the same existing installed capacities without demanding any hike in the fixed charges through ARRs.</p> <p>Ending March 2025, out of the total connected / sanctioned load in DHBVN, the sanctioned load of industry is 5784149 kVA. By increasing Rs. 125/- per kVA in the fixed charges, the DHBVN would start earning Rs. 72,30,18,625/- (Rs. Seventy two crores, thirty lacs eighteen thousand six hundred twenty five only) extra every month which amounts to an extra collection of Rs. 867, 62,23,500/- (Rs. Eight hundred sixty seven crores, sixty two lacs twenty three thousand five hundred only) every year from fixed charges alone. Now coming to the yearly consumption of industry in DHBVN during 2024-25, it is 109294 Lac Units (LUs) which means an extra collection of revenue of Rs. 327,88,35,900/- (Rs.</p> |                         |



| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Discom Reply / Comments |
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|        |                  |                        | <p>Three hundred twenty seven crores, eighty eight lacs, thirty five thousand nine hundred only) every year. Taking both these figures together, DHBVN will start getting an extra revenue of Rs. 867, 62,23,500 + Rs. 327,88,35,900 = Rs. 1195, 50,59,400/- (Rs. Eleven hundred ninety five crores, fifty lacs fifty nine thousand four hundred only) every year from the industry alone.</p> <p>Almost 80% of the above figure would be an extra revenue from the industry of UHBVN practically meaning thereby that UHBVN per year additional revenue from industry alone would be around Rs. 950 crores</p> <p>It may kindly be seen from the above figures that by this recent hike in tariff, the industrial consumers alone in Haryana have been subjected to bear an additional burden of more than Rs. 2100 crores every year. How the industry could survive under such conditions should have been given a serious thought by the Commission and the DISCOMs.</p> <p>For how long would the industry and trade continue to bear the burden of inefficiencies of DISCOMs is also a matter of serious debate.</p> <p>In addition to above additional revenue from Industry, a steep hike has also been proposed for domestic and commercial categories. This tariff hike will fetch around Rs. 800 crores extra every year from domestic and commercial categories also.</p> <p>There are several other issues which need to be discussed at length with the concerned DISCOMs and the Commission for which we as Industry request your kind office to intervene and issue directions for a meaningful discussion and analysis of the deteriorating condition of Haryana</p> |                         |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Discom Reply / Comments |
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|        |                  |                        | <p>Power Sector. Some of these issues are listed as under:</p> <p>How much (in crores) are the total losses which the DISCOMs have projected in their ARR, which they proposed to recover from this tariff hike?</p> <p>How much (in crores) this tariff hike will fetch them extra every year</p> <p>In how much time the losses projected in ARRs would get recovered</p> <p>Another issue which we wish to raise here is the Surcharge Waiver and Bill settlement Scheme recently announced to accommodate habitual defaulters and those consumers of the state who have become used to paying their bills only when such schemes are announced. It has been learnt from media reports that unpaid bills of the consumers have accumulated to around Rs. 8000 crores, out of which Rs. 5000 crores are in DHBVN and Rs. 3000 crores are in UHBVN. Considering around 40% as the surcharge out of this Rs. 8000 crores, Rs. 3200 crores have been waived off in just one single stroke. Out of the remaining Rs. 4800 crores of the principal amount, a waiver of 10% has been announced which comes to Rs. 480 crores. Adding up the waivers above, Rs. 3680 crores will get waived off and that too if all the defaulting consumers come forward to adopt and take advantage of the scheme. On one hand, steep tariff hike has been announced to cover up losses of DISCOMs and on the other, the DISCOMs will waive off Rs. 3680 crores of their legitimate dues. This surcharge waiver and Bill settlement scheme is yet another example of transferring inefficiency of DISCOMs to the honest and regularly paying consumers. Bringing in such illogical schemes has become a</p> |                         |

| Sr. No | Name of Objector    | Organization / Address                        | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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|        |                     |                                               | <p>practice in the past few years, which should have been discouraged in fact.</p> <p>In light of the above facts and figures, we make a humble submission before your kind office to take note of the hardships and the extra burden which has been put on the industry in the state and to issue necessary directions for a review of the recent tariff order issued by the Commission.</p> <p>We make a humble request here to give us some time for a meeting with your kind self and the senior officers of the DISCOMs wherein we can present the true picture of hardships the Industry in Haryana has been facing. We would also like to suggest some urgent measures to the DISCOMs to better their performance.</p> <p>We assure your kind office of our firm commitment to take the industry in Haryana to new heights and glory.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 44.    | <b>Rajesh Sarna</b> | D-49, 3rd Floor, Sector-54, Suncity, Gurugram | <p>Vide mail dated: 12 Feb 2026</p> <p>I am writing to register my strong objection to the proposed approval of ARR for FY 2026–27 and the consequent tariff hike sought by DHBVN.</p> <p>The petition presented by DHBVN is fundamentally flawed and unjustified:</p> <ul style="list-style-type: none"> <li>- The claimed revenue gap of INR 5261.23 crore for FY 2024–25 is being carried forward without transparent justification or accountability.</li> <li>- The petition completely ignores recovery from defaulters, which currently amounts to approximately INR 8500 crore. This omission is unacceptable. Recovery of these dues must be prioritized before burdening honest, paying consumers.</li> <li>- Public notices regarding this matter were inadequately publicized, undermining the principle of fair public</li> </ul>   | <p>At the outset, it is respectfully submitted that the ARR and revenue gap have been computed strictly in accordance with the Electricity Act, 2003 and the applicable MYT Regulations, based on prudently incurred costs and regulatory norms.</p> <p>It is clarified that outstanding dues from consumers are not admissible cost elements and cannot be included in ARR. The tariff framework does not permit adjustment of unrecovered receivables against revenue gap, as tariff is determined on cost-to-serve principles.</p> <p>Recovery of outstanding dues is a separate operational activity undertaken as per statutory provisions and</p> |

| Sr. No | Name of Objector      | Organization / Address             | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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|        |                       |                                    | participation. Citizens were deprived of timely information. It is unjust and inequitable to impose the burden of DHBVN's inefficiency on sincere domestic consumers. The Commission must reject this petition and prevent an unwarranted tariff hike.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | does not alter the regulatory computation of ARR. Further, working capital has been computed strictly as per MYT Regulations, and the revenue gap arises from the difference between approved costs and realizable revenue under existing tariff. Public notices were duly issued in compliance with regulatory provisions to ensure stakeholder participation. Accordingly, the objections do not affect the validity of ARR and tariff determination.                                                                                                                                                                               |
| 45.    | <b>Rajiv Chaudhri</b> | C-1/25, DLF City Phase-1, Gurugram | Vide mail dated: 13.02.2026<br>Subject: Objection to Proposed Tariff Hike and ARR Approval for FY 2026–27.<br>This is with reference to the recent public meeting chaired by the Hon'ble Chairman, HERC, Sh. Nand Lal Sharma, along with the Managing Director, DHBVN, Sh. Vikram Singh, regarding the petition filed by DHBVN seeking approval of Aggregate Revenue Requirement (ARR) for FY 2026–27 and the proposed tariff revision. It has been stated that DHBVN has reported a revenue gap of INR 5,261.23 crore for FY 2024–25 and has requested the Commission to allow this gap to be carried forward into the ARR of FY 2026–27, thereby enabling an increase in consumer tariff. As responsible taxpayers and residents of Gurgaon, we strongly oppose this proposed hike. Consumers are being burdened year after year with increased tariffs, while systemic inefficiencies and financial gaps continue to persist. The proposed increase appears unjustified and does not seem to be based on an accurate and transparent calculation of the | The ARR and revenue gap have been computed in accordance with statutory provisions and MYT Regulations based on audited data and approved cost parameters. Outstanding dues are not part of ARR and cannot be considered for tariff computation. Tariff determination is based on cost-to-serve principles and not on debtor balances. Recovery of dues is an ongoing operational process. The tariff proposal reflects the difference between approved costs and expected revenue under existing tariffs. Public notice requirements have been duly complied with. Therefore, the objections do not warrant any modification in ARR. |

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|        |                  |                                      | actual cost of service. Further, the petition does not adequately address the substantial outstanding dues from defaulters, reportedly amounting to approximately INR 8,500 crore. Effective recovery of these dues would significantly reduce the revenue gap and lessen the burden on honest, paying consumers. Passing on the financial inefficiencies of the Discom to compliant consumers is neither equitable nor sustainable. In view of the above, we request the Hon'ble Commission not to approve the proposed ARR for FY 2026-27 in its present form and to direct DHBVN to first strengthen recovery mechanisms, improve operational efficiency, and ensure financial discipline before considering any tariff increase. We hope the Commission will safeguard the interests of law-abiding consumers and ensure fairness and transparency in its decision-making process. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 46.    | Ramesh Chugh     | D-81, First Floor, Suncity, Gurugram | <p>Vide mail dated 12 Feb 2026 I am writing to register my strong objection to the proposed approval of ARR for FY 2026-27 and the consequent tariff hike sought by DHBVN.</p> <p>The petition presented by DHBVN is fundamentally flawed and unjustified:</p> <ul style="list-style-type: none"> <li>- The claimed revenue gap of INR 5261.23 crore for FY 2024-25 is being carried forward without transparent justification or accountability.</li> <li>- The petition completely ignores recovery from defaulters, which currently amounts to approximately INR 8500 crore. This omission is unacceptable. Recovery of these dues must be prioritized before burdening honest, paying consumers.</li> <li>- Public notices regarding this matter were inadequately publicized, undermining the</li> </ul>                                                                          | <p>At the outset, it is respectfully submitted that the ARR and revenue gap have been computed strictly in accordance with the Electricity Act, 2003 and the applicable MYT Regulations, based on prudently incurred costs and regulatory norms. It is clarified that outstanding dues from consumers are not admissible cost elements and cannot be included in ARR. The tariff framework does not permit adjustment of unrecovered receivables against revenue gap, as tariff is determined on cost-to-serve principles. Recovery of outstanding dues is a separate operational activity</p> |

| Sr. No | Name of Objector     | Organization / Address              | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|        |                      |                                     | principle of fair public participation. Citizens were deprived of timely information. It is unjust and inequitable to impose the burden of DHBVN's inefficiency on sincere domestic consumers. The Commission must reject this petition and prevent an unwarranted tariff hike.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | undertaken as per statutory provisions and does not alter the regulatory computation of ARR.<br>Further, working capital has been computed strictly as per MYT Regulations, and the revenue gap arises from the difference between approved costs and realisable revenue under existing tariff.<br>Public notices were duly issued in compliance with regulatory provisions to ensure stakeholder participation. Accordingly, the objections do not affect the validity of ARR and tariff determination.                                                                                                                                                                                       |
| 47.    | <b>Rattan Kapoor</b> | C-133, Suncity, Sector-54, Gurugram | Vide mail dated 12 <sup>th</sup> Feb. 2026 , I am writing to register my strong objection to the proposed approval of ARR for FY 2026–27 and the consequent tariff hike sought by DHBVN.<br>The petition presented by DHBVN is fundamentally flawed and unjustified:<br>- The claimed revenue gap of INR 5261.23 crore for FY 2024–25 is being carried forward without transparent justification or accountability.<br>- The petition completely ignores recovery from defaulters, which currently amounts to approximately INR 8500 crore. This omission is unacceptable. Recovery of these dues must be prioritized before burdening honest, paying consumers.<br>- Public notices regarding this matter were inadequately publicized, undermining the principle of fair public participation. Citizens were deprived of timely information. It is unjust and inequitable to impose the burden of DHBVN's inefficiency on sincere domestic | At the outset, it is respectfully submitted that the ARR and revenue gap have been computed strictly in accordance with the Electricity Act, 2003 and the applicable MYT Regulations, based on prudently incurred costs and regulatory norms.<br>It is clarified that outstanding dues from consumers are not admissible cost elements and cannot be included in ARR. The tariff framework does not permit adjustment of unrecovered receivables against revenue gap, as tariff is determined on cost-to-serve principles.<br><br>Recovery of outstanding dues is a separate operational activity undertaken as per statutory provisions and does not alter the regulatory computation of ARR. |

| Sr. No | Name of Objector          | Organization / Address                  | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                            | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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|        |                           |                                         | consumers. The Commission must reject this petition and prevent an unwarranted tariff hike.                                                                                                                                                                                                                                                                                                                                                                            | Further, working capital has been computed strictly as per MYT Regulations, and the revenue gap arises from the difference between approved costs and realisable revenue under existing tariff. Public notices were duly issued in compliance with regulatory provisions to ensure stakeholder participation. Accordingly, the objections do not affect the validity of ARR and tariff determination.                                                                                                                                                                                                                                      |
| 48.    | <b>Rakhi Aswal</b>        | C-48/1, 3rd Floor, Ardee City, Gurugram | Stated that the tariff increase is unjustified and based on ambiguous cost-of-service calculations; pointed out that recovery from defaulters (~₹8500 crore) has not been addressed.                                                                                                                                                                                                                                                                                   | Tariff is based on ARR under Sections 61 and 62 and MYT Regulations after prudence checks. Recovery from defaulters is separate and cannot be linked to tariff determination. Hence, objections are without merit.                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 49.    | <b>Rajesh Kumar Gupta</b> | Palam Vihar, Gurugram                   | Mail dated 12.02.2026<br>1. The grievance was again sent to CGRF Gurgaon a few days back. However instead of taking any action thereon they are informally asking for a fresh complaint with the current date. It seems they are not inclined to take any action thereon and and only procrastinating the matter.<br>2. It's once again requested to take urgent necessary action to refund Rs 3.9 lakhs unfairly charged by DHBVN alongwith an interest of 12% to me. | Tariff determination is a statutory function under Sections 61 and 62 of the Electricity Act based on prudence-checked ARR. Increase in tariff reflects recovery of legitimate costs including power purchase, transmission, RPO obligations, and financing costs. Reduction in AT&C losses alone does not determine profitability; multiple cost factors influence financial position. Cross-subsidy is permitted under Section 61(g) and reduced gradually as per policy. Two-part tariff (fixed + energy charges) is a recognized structure for recovery of fixed and variable costs. Billing on kVAh basis and use of 0.9 power factor |

| Sr. No | Name of Objector | Organization / Address      | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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|        |                  |                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | are standard regulatory and engineering norms. Tariff revision is not for profit but to bridge revenue gap and ensure financial sustainability. Issues raised are already addressed in ARR filings and tariff orders.                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 50.    | Sandeep Sharma   | E-50, First Floor, Gurugram | <p>Vide mail dated 12.02.2026</p> <p>Subject: Objection to Approval of ARR for FY 2026–27 and Proposed Tariff Increase</p> <p>I write to formally register my objection to the proposed approval of the Annual Revenue Requirement for FY 2026–27 and the consequent tariff hike sought by DHBVN.</p> <p>The petition raises serious concerns:</p> <p>First, the claimed revenue gap of INR 5,261.23 crore for FY 2024–25 is proposed to be carried forward without adequate transparency, accountability, or a clear explanation of the underlying assumptions. Passing this burden forward without corrective measures sets an unfair precedent.</p> <p>Second, the petition does not meaningfully address recovery from defaulters, which reportedly stands at approximately INR 8,500 crore. Prioritizing recovery of outstanding dues would substantially reduce the stated revenue gap. It is unreasonable to transfer the cost of inefficiencies onto compliant, paying consumers while significant recoverable amounts remain unaddressed.</p> <p>Third, the public notice process appears to have been inadequately publicized. Effective public participation requires timely and wide dissemination of information. Limited awareness among residents undermines the spirit of transparency and stakeholder consultation.</p> <p>A tariff increase under these circumstances would be unjustified</p> | <p>The ARR and revenue gap have been computed strictly in accordance with the Electricity Act, 2003 and MYT Regulations, based on prudently incurred costs.</p> <p>Outstanding dues are not admissible cost elements and cannot be considered in tariff determination. Recovery of such dues is a separate operational activity.</p> <p>Working capital has been computed as per regulatory norms based on realisable revenue. Tariff is determined on cost-to-serve principles and not on debtor balances.</p> <p>Public notices have been duly issued ensuring transparency and participation. Hence, the objections do not affect ARR computation.</p> |



| Sr. No | Name of Objector           | Organization / Address                 | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|        |                            |                                        | and inequitable, particularly for domestic consumers who already shoulder a substantial portion of the revenue base. Operational inefficiencies and weak recovery mechanisms should not be converted into additional financial burden on sincere citizens.<br>In view of the above, I respectfully urge the Commission to reject the current petition and require DHBVN to first strengthen recovery efforts, improve operational efficiency, and present a transparent and evidence-based justification before considering any tariff revision. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 51.    | <b>Sangeeta (Resident)</b> | E-70, GF, Suncity, Sector-54, Gurugram | Protested against tariff increase stating electricity rates are already high in Gurugram; requested protection of middle-class consumers and stricter action against illegal electricity use and non-payment of dues.                                                                                                                                                                                                                                                                                                                            | Tariff determination is carried out strictly in accordance with the Electricity Act, 2003, Tariff Policy, and MYT Regulations, which mandate cost-reflective tariffs based on approved cost structure.<br>Inter-state comparison with Delhi is not appropriate due to differences in cost structure, network conditions, and regulatory framework.<br>Tariff is uniformly applied across consumers and is essential to ensure financial sustainability and reliable power supply.<br>Issues relating to theft and non-payment are being addressed through enforcement and recovery measures, but do not alter ARR computation. |
| 52.    | <b>Sparsh</b>              | F-2, GF, Suncity, Sector-54, Gurugram  | Mail dated 12.02.2026<br>I am writing this mail to express my disapproval of the recent DHBVN request for tariff hike for AY 26-27. We, the honest customers of discom and tax payers of the state are being continuously burdened every year with more tariffs. This is                                                                                                                                                                                                                                                                         | The ARR and revenue gap have been computed strictly in accordance with the Electricity Act, 2003 and MYT Regulations, based on prudently incurred costs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

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|        |                     |                                           | <p>when DHBVN has a default of more than 8500 crores!</p> <p>It seems clear that there is a clear intention to treat sincere payers as second-class citizens and defaulters as first class.</p> <p>This is completely unjustified and against any natural reasoning.</p>                                                          | <p>Outstanding dues are not admissible cost elements and cannot be considered in tariff determination. Recovery of such dues is a separate operational activity.</p> <p>Working capital has been computed as per regulatory norms based on realisable revenue. Tariff is determined on cost-to-serve principles and not on debtor balances.</p> <p>Public notices have been duly issued ensuring transparency and participation. Hence, the objections do not affect ARR computation.</p> |
| 53.    | <b>Sanjeev Sood</b> | Gurugram (Resident)                       | <p>Mail dated- 11.02.2026</p> <p><b>Subject: - do not hike tariff-ordinary residents won't pay fir inefficiency and incompetence of DHBVNL.</b></p> <p>Under this govt rurgaon id destroyed. For destruction also u want ordinary people to pay Inefficiency and incompetence of DHBVNL can not put burden on ordinary people</p> | <p>Tariff determination is governed by Sections 61 and 62 of the Electricity Act and subject to regulatory scrutiny.</p> <p>Operational performance is monitored under MYT Regulations. Issues like privatization fall under State Government policy and are outside ARR proceedings.</p>                                                                                                                                                                                                 |
| 54.    | <b>Sachin Kalra</b> | C1/29 FF, Ardee City, Sector-52, Gurugram | <p>Opposed ARR approval and tariff hike. Stated that the revenue gap of ₹5261.23 crore is proposed to be carried forward without proper justification and recovery of about ₹8500 crore from defaulters has not been addressed.</p>                                                                                               | <p>Revenue gap carry-forward is permitted under MYT Regulations and forms part of ARR determination under the Electricity Act.</p> <p>Recovery from defaulters is a separate enforcement activity and cannot determine tariff.</p> <p>Accordingly, request for disapproval is without merit.</p>                                                                                                                                                                                          |
| 55.    | <b>S.K. Negi</b>    | C15/7 FF, Ardee City                      | <p>Stated that tariff hike would penalize honest consumers due to inefficiency and poor administration of DHBVN; requested recovery of pending bills (~₹8500 crore) and reduction of line losses before increasing tariff.</p>                                                                                                    | <p>Tariff is determined under the Electricity Act after prudence checks. Efficiency parameters are monitored under MYT Regulations.</p>                                                                                                                                                                                                                                                                                                                                                   |

| Sr. No | Name of Objector           | Organization / Address                           | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                   | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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|        |                            |                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                               | Recovery of dues is a separate process and tariff cannot depend on it. Objections are without merit.                                                                                                                                                                                                                                                                                                                                                         |
| 56.    | <b>Soumen Dutta</b>        | E-37, Second Floor, Suncity, Sector-54, Gurugram | Objected to tariff hike citing lack of transparency in revenue gap calculation, non-recovery from defaulters (~₹8500 crore), and inadequate public participation in the process. Also suggested exploring private distribution participation to improve efficiency.                                                                                                                                                           | Revenue gap forms part of ARR under Sections 61 and 62 of the Electricity Act and its carry-forward is permitted under MYT Regulations after prudence checks. Recovery from defaulters is a separate operational process and tariff cannot depend on uncertain recoveries. Public notice was duly issued as per Section 64 and applicable regulations. Issues like privatization fall outside tariff proceedings. Accordingly, objections are without merit. |
| 57.    | <b>Sneh Dua</b>            | E-82, GF, Suncity, Sector-54, Gurugram           | Opposed tariff increase stating it is not based on accurate cost of service; burden of non-recovery from defaulters should not be passed on to honest domestic consumers; also raised issue of inadequate publicity of public notice.                                                                                                                                                                                         | Tariff determination is based on ARR under Sections 61 and 62 and cannot be termed ambiguous. Recovery from defaulters is a separate activity and tariff cannot depend on uncertain recoveries. Public notice was duly issued as per statutory requirements. Hence, objections are without merit.                                                                                                                                                            |
| 58.    | <b>Imperial Malts Ltd.</b> | Pataudi (through Sumit Rao)                      | Date: 10-02-2026<br><b>Subject: Long-pending issues related to DHBVN affecting industrial consumers</b><br>Respected Sir,<br>We would like to draw your kind attention towards our earlier letter No. GIA/2025-26/47/06/102 dated 07-01-2026 (copy enclosed for your ready reference). Once again, we would like to submit the following long-pending issues related to Dakshin Haryana Bijli Vitran Nigam (DHBVN), which are | Tariff is determined as per Electricity Act and must be cost-reflective; delay in revision leads to regulatory assets and financial stress. Fixed charges are approved by the Commission and not based on geographical zones. DHBVN is reducing distribution losses and improving efficiency.                                                                                                                                                                |

| Sr. No | Name of Objector                                          | Organization / Address         | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                   |
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|        |                                                           |                                | <p>adversely impacting the industrial sector:</p> <p>The fixed charge has been exorbitantly increased from Rs. 165/KW to Rs. 290/KW, which is detrimental to the interests of the industry.</p> <p>The per-unit tariff for industrial consumers has been increased by 20–40 paise, further escalating the cost of power for industries.</p> <p>In recent Sales Circular No. D-22/2025 dated 27-11-2025, ToD billing is not industry-friendly because the condition of incremental consumption for the same period over the last year does not apply to many industries. As a result, this facility of ToD billing will not be available to the majority of the industry.</p> <p>FSA/FPPAS should be done away with, as other charges related to electricity have already been increased.</p> <p>In view of the above, we request your good office to kindly examine these issues and take appropriate steps to provide relief to industrial consumers.</p> | <p>Open access, ToD, and structural tariff changes fall under regulatory domain of the Commission.</p> <p>Non-ARR issues (e.g., CBO location) are outside the scope of ARR.</p>                                                                                                                                                                                                                                           |
| 59.    | <b>Tarun Chandwani</b>                                    | H. No. 249, Sector-7, Gurugram | Requested the Commission not to increase electricity tariff.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <p>Tariff revision is necessary to ensure recovery of cost of electricity under Section 61(g) of the Electricity Act.</p> <p>A static tariff leads to accumulation of regulatory assets and future burden on consumers. Under MYT Regulations, true-up ensures financial viability of DISCOMs.</p> <p>Tariff must progressively reflect cost of supply as per National Tariff Policy to ensure reliable power supply.</p> |
| 60.    | <b>Virender Singh (Jay Bharat Maruti Ltd., JBM Group)</b> | Gurgaon                        | Vide mail date: 09-02-2026<br><b>Subject: Observations and Suggestions During Public Hearing dated 10-02-2026 (Electricity</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | DHBVNL submitted that several issues raised such as AMR metering cost, open access scheduling, short-term power                                                                                                                                                                                                                                                                                                           |

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|        |                  |                        | <p><b>Account No. 2517260000 &amp; 1910060000)</b></p> <p>1. As per the requirement of the Automatic Meter Reading (AMR) system, the cost should be borne by HPNL and should not impact the customer end. DHVBN main meters already have the arrangement for automatic reading, and the cost has already been borne by DHVBN.</p> <p>2. The Open Access 12-block quantum power should remain the same. Regulation No. HERC/59/2023 requires revision, as customers are not receiving refunds and are effectively paying double charges to DHVBN as well as for IEX green power.</p> <p>3. Short-term power purchase NOC should not be kept on hold due to the non-availability of the AMR system at the Open Access consumer end.</p> <p>4. Fixed charges should be applied based on monthly running MDI instead of sanctioned load/contract demand.</p> <p>5. Considering the recent increase in fixed charge rates as per sanctioned load, we request reduction in charges or suitable relaxation for consumers.</p> <p>6. At present, the RMU has a single supply source. We request provision of an additional source so that in case of failure of one source, supply can be maintained from the second source.</p> <p>7. Proper yearly servicing arrangement of RMU installed at the customer end should be ensured.</p> <p>8. ACD yearly interest is not being refunded in a timely manner at the end of the year.</p> <p>9. The TDS deduction system should be automated in the monthly electricity bill instead of being processed manually.</p> <p>10. ACD security/fixed charges should be revised as per the last 45 days' average</p> | <p>purchase NOC, RMU supply arrangements, ACD interest refund, TDS automation and meter data access are operational matters and do not fall within the scope of the ARR proceedings.</p> <p>With regard to the request that fixed charges should be levied based on monthly MDI instead of sanctioned load, DHBVNL submitted that the basis for levy of fixed charges is determined by the Tariff Schedule approved by the Hon'ble Commission and the Distribution Licensee implements billing strictly in accordance with the approved tariff design. Any modification in the basis of levy would require regulatory approval.</p> <p>DHBVNL further submitted that the tariff determination process is undertaken in accordance with HERC MYT Regulations and involves public notice, stakeholder consultation and issuance of the tariff order before the commencement of the financial</p> |

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|        |                  |                           | <p>consumption, and any excess amount should be refunded.</p> <p>11. TDS deducted on ACD interest should be updated on the Government Income Tax portal, and the TDS certificate should be provided to the customer annually in a timely manner.</p> <p>12. Any plan for increment in electricity tariff should be circulated at least 2–3 months before implementation, so that customers can arrange funds accordingly.</p> <p>13. TOU benefits are not being provided timely even after submission of application at the SDO office. Benefits are applied based on last year's higher consumption. The rule may be revised to allow TOU benefits based on consumption to the previous year.</p> <p>14. Kindly share the benefits of the AMR system for customers and provide an option for online access to meter reading data for Open Access customers, including ABT meter data.</p> <p>We request your kind consideration of the above points and appropriate action in the interest of consumers.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 61.    | Vineeta Ahlawat  | Suncity Sector 54 Gurgaon | <p>Mail dated 12.02.2026</p> <p>The petition presented by DHBVN is fundamentally flawed and unjustified:</p> <ul style="list-style-type: none"> <li>- The claimed revenue gap of INR 5261.23 crore for FY 2024–25 is being carried forward without transparent justification or accountability.</li> <li>- The petition completely ignores recovery from defaulters, which currently amounts to approximately INR 8500 crore. This omission is unacceptable. Recovery of these dues must be prioritized before burdening honest, paying consumers.</li> <li>- Public notices regarding this matter were inadequately publicized, undermining the</li> </ul>                                                                                                                                                                                                                                                                                                                                                   | <p>At the outset, it is respectfully submitted that the ARR and revenue gap have been computed strictly in accordance with the Electricity Act, 2003 and the applicable MYT Regulations, based on prudently incurred costs and regulatory norms. It is clarified that outstanding dues from consumers are not admissible cost elements and cannot be included in ARR. The tariff framework does not permit adjustment of unrecovered receivables against revenue gap, as</p> |

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|        |                       |                           | principle of fair public participation. Citizens were deprived of timely information. It is unjust and inequitable to impose the burden of DHBVN's inefficiency on sincere domestic consumers. The Commission must reject this petition and prevent an unwarranted tariff hike.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | tariff is determined on cost-to-serve principles. Recovery of outstanding dues is a separate operational activity undertaken as per statutory provisions and does not alter the regulatory computation of ARR.<br>Further, working capital has been computed strictly as per MYT Regulations, and the revenue gap arises from the difference between approved costs and realisable revenue under existing tariff.<br>Public notices were duly issued in compliance with regulatory provisions to ensure stakeholder participation. Accordingly, the objections do not affect the validity of ARR and tariff determination. |
| 62.    | <b>Vinay Malhotra</b> | Suncity Sector 54 Gurgaon | Mail dated 12.02.2026<br>The petition presented by DHBVN is fundamentally flawed and unjustified:<br>1.The claimed revenue gap of INR 5261.23 crore for FY 2024–25 is being carried forward without transparent justification or accountability.<br>2.The petition completely ignores recovery from defaulters, which currently amounts to approximately INR 8500 crore. This omission is unacceptable. Recovery of these dues must be prioritized before burdening honest, paying consumers.<br>3.Public notices regarding this matter were inadequately publicized, undermining the principle of fair public participation. Citizens were deprived of timely information. It is unjust and inequitable to impose the burden of DHBVN's inefficiency on sincere domestic | At the outset, it is respectfully submitted that the ARR and revenue gap have been computed strictly in accordance with the Electricity Act, 2003 and the applicable MYT Regulations, based on prudently incurred costs and regulatory norms.<br>It is clarified that outstanding dues from consumers are not admissible cost elements and cannot be included in ARR. The tariff framework does not permit adjustment of unrecovered receivables against revenue gap, as tariff is determined on cost-to-serve principles. Recovery of outstanding dues is a separate operational activity undertaken as per               |

| Sr. No | Name of Objector  | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|        |                   |                        | consumers. The Commission must reject this petition and prevent an unwarranted tariff hike.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | statutory provisions and does not alter the regulatory computation of ARR.<br>Further, working capital has been computed strictly as per MYT Regulations, and the revenue gap arises from the difference between approved costs and realisable revenue under existing tariff.<br>Public notices were duly issued in compliance with regulatory provisions to ensure stakeholder participation. Accordingly, the objections do not affect the validity of ARR and tariff determination.                                                                                                                                                         |
| 63.    | <b>Varun Jain</b> | DLF Face 2, Gurugram   | Vide email dated 13.02.2026<br><b>Subject: Objection to Proposed Tariff Hike and ARR Approval for FY 2026–27.</b><br>This is with reference to the recent public meeting chaired by the Hon’ble Chairman, HERC, Sh. Nand Lal Sharma, along with the Managing Director, DHBVN, Sh. Vikram Singh, regarding the petition filed by DHBVN seeking approval of Aggregate Revenue Requirement (ARR) for FY 2026–27 and the proposed tariff revision.<br>It has been stated that DHBVN has reported a revenue gap of INR 5,261.23 crore for FY 2024–25 and has requested the Commission to allow this gap to be carried forward into the ARR of FY 2026–27, thereby enabling an increase in consumer tariff.<br>As responsible taxpayers and residents of Gurgaon, we strongly oppose this proposed hike. Consumers are being burdened year after year with increased tariffs, while systemic inefficiencies and financial gaps continue to persist. The proposed increase appears unjustified and does not seem to be based on an accurate | The ARR and revenue gap have been computed in accordance with statutory provisions and MYT Regulations based on audited data and approved cost parameters.<br>Outstanding dues are not part of ARR and cannot be considered for tariff computation. Tariff determination is based on cost-to-serve principles and not on debtor balances.<br>Recovery of dues is an ongoing operational process. The tariff proposal reflects the difference between approved costs and expected revenue under existing tariffs.<br>Public notice requirements have been duly complied with. Therefore, the objections do not warrant any modification in ARR. |



| Sr. No | Name of Objector  | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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|        |                   |                        | <p>and transparent calculation of the actual cost of service.</p> <p>Further, the petition does not adequately address the substantial outstanding dues from defaulters, reportedly amounting to approximately INR 8,500 crore. Effective recovery of these dues would significantly reduce the revenue gap and lessen the burden on honest, paying consumers. Passing on the financial inefficiencies of the Discom to compliant consumers is neither equitable nor sustainable.</p> <p>In view of the above, we request the Hon'ble Commission not to approve the proposed ARR for FY 2026-27 in its present form and to direct DHBVN to first strengthen recovery mechanisms, improve operational efficiency, and ensure financial discipline before considering any tariff increase.</p> <p>We hope the Commission will safeguard the interests of law-abiding consumers and ensure fairness and transparency in its decision-making process.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 64.    | <b>Y.S. Yadav</b> | Sector 31 Gurugram     | <p>Vide mail dated 02.02.2026</p> <p>Without mincing any words, yet with malice to none, I wish to express my anguish at this frequent malaise plaguing DHBVN in practically all aspects of administrations and operations to provide any semblance of satisfactory electricity services to consumers in Haryana. We, the hapless ordinary consumers serviced by DHBVN, have been at the receiving end for God knows how many years by now. Frequent unannounced power cuts, faulty meters, massive billing errors, .no recourse to consumer complaints, unprofessional and poor quality of workmanship, a rather blind eye to redress consumer complaints etc etc; the list actually runs endless. While quite understanding some of the constraints, one fails to ignore the universal corruption and</p>                                                                                                                                           | <p>DHBVN is continuously undertaking measures to improve service quality, including reduction in billing issues, strengthening complaint redressal mechanisms, and improving operational efficiency. Tariff determination is governed by the Electricity Act, 2003 and MYT Regulations and is based on approved costs. Revenue gap, if not addressed, results in regulatory assets which affect long-term sustainability of the utility. Efforts are ongoing to enhance reliability, accountability, and consumer service standards.</p> |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Discom Reply / Comments |
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|        |                  |                        | <p>pathetically insensitive outlook on part of the Nigam to get situation better even after an extended period of decades; consumers only get to see a constantly degraded core service level. Yes, it's no better elsewhere too in the state administrative setup with ad-hoc short term recourse. A total lack of accountability in contractor services and bloated false promises of holistic improvements have often proved as miserable as the pathetic "garbage-free gurgaon" campaign on real ground.</p> <p>Developed and in tune with current time's standards of living seem far fetched for my generation, or for the next one as well. Which country has ever progressed with such lack of accountability in work norms and an omnipresent chalta-hai attitude ruling the roost. No, Sir, it is simply a way along the fault lines that politics has mastered to perfection, bureaucracy in cahoot and substandard planning-forged bills-reappropriation of funds arbitrarily and go-to-hell quality assurance with connived monitoring towards personal gratification. We, the average law abiding public are always at the receiving end of lofty sermons while those government functionaries who connive to to perpetuate and their hand in glove buddies laugh away with booty.</p> <p>All this results in ever enhancing taxation and tariffs devised with an aim to forget these misdeeds and irresponsibility rather brazenly. No, Sir, that is not the way to go forward to improve and consolidate the power infrastructure by running it like a 'gaushala'; it's a pit with endless bottom. Hence we, the ordinary tax payers, feel the pinch has come to bite and it needs to be arrested with some sense of honesty, ethics, accountability in professional working and consolidation of such</p> |                         |

| Sr. No | Name of Objector | Organization / Address                                                                             | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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|        |                  |                                                                                                    | a public utility towards development of a Viksit Bharat. I don't see any reason why such adverse observations by public at large should not be taken sincerely towards their intended aim instead of victimizing the customers.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 65.    | Anjana Garg      | Prop. Trimurti Textile Industries,<br>Near Gyan Mansarover,<br>Thirana Road,<br>Assan Panipat (HR) | <p><b>Excess and incorrect electricity billing</b> due to meter display fault since July 2025.</p> <p><b>Average billing for several months</b> because of delay in replacement of the faulty meter.</p> <p><b>Non-adjustment of excess units</b> billed during the period of meter fault despite assurance from the department.</p> <p><b>Lack of transparency in meter testing/reading</b>, as the meter was allegedly opened and readings extracted without the consumer's presence.</p> <p><b>Discrepancy in payments</b>, including payment of ₹1,26,400 in December 2025 which was later removed from the UHBVN portal.</p> <p><b>Inflated bill of ₹3,88,761 issued</b>, which was paid under protest to avoid disconnection.</p> <p><b>Low actual electricity consumption</b> as one major machine remained shut, yet billing continued based on past consumption.</p> <p><b>Administrative delays and procedural lapses</b> by different departments (JE, Accounts, Lab, MNP).</p> <p><b>REQUEST/PRAYER:</b> Independent verification of meter reading and billing, supply of meter data and calculation methodology, revision/cancellation of incorrect bills, refund/adjustment of excess payment, and action against responsible officials.</p> | <p>At the outset, it is respectfully submitted that the issues raised pertain to billing disputes, meter functioning, payment adjustments, and administrative processes, which are operational in nature and do not fall within the scope of ARR and tariff determination.</p> <p>It is submitted that in cases of suspected faulty meters, the procedure prescribed under the applicable Supply Code Regulations is followed, including testing of the meter in an authorized laboratory and billing as per prescribed norms during the period of defect. Any adjustment of excess billing, if found admissible, is carried out in accordance with the test results and regulatory provisions.</p> <p>With regard to allegations of lack of transparency in meter testing and discrepancies in billing/payment records, it is submitted that the matter is required to be examined at the field level based on records, meter data, and laboratory reports. The consumer may approach the designated Consumer Grievance Redressal Forum (CGRF), where such issues are adjudicated as per statutory mechanism.</p> |

| Sr. No | Name of Objector                                         | Organization / Address           | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                          | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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|        |                                                          |                                  |                                                                                                                                                                                                                                                                                                                                                                                      | It is further submitted that billing during periods of meter fault is carried out as per average consumption in accordance with regulations, and subsequent revisions, if any, are made based on verified data. Any issue relating to non-reflection of payments or account discrepancies is also subject to reconciliation by the concerned office. Accordingly, the matter being consumer-specific and operational in nature, the same may be addressed through the appropriate grievance redressal mechanism, and does not impact the ARR or tariff determination.                                                                                                                |
| 66.    | <b>Abhitek Spinning Mills (Through Purshotam Sharma)</b> | G.T. Road, Pasina Kalan, Panipat | Objection regarding <b>high fixed charges</b> in electricity tariff. It is stated that fixed charges have been increased from about <b>₹165 per kW to ₹290 per kW</b> , which is unjustified.<br>Request for <b>reduction/rationalization of fixed charges</b> . Concern also raised regarding <b>Fuel Surcharge Adjustment (FSA) and Electricity Duty (ED)</b> burden on consumers. | The increase in fixed charges from ₹165/kVA to ₹290/kVA reflects a gradual and moderate increase over nearly a decade and corresponds to a reasonable annual growth rate. During this period, tariffs remained largely unchanged despite significant increases in power procurement costs, transmission charges, and O&M expenses. A substantial portion of ARR (around 45–50%) comprises fixed costs such as O&M, depreciation, interest, and return on equity, whereas historically only a small portion of revenue has been recovered through fixed charges. This mismatch necessitated tariff rationalization. The revised structure ensures balanced cost recovery, strengthens |

| Sr. No | Name of Objector               | Organization / Address                                                      | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                          | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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|        |                                |                                                                             |                                                                                                                                                                                                                                                                                                                                                                                      | financial sustainability of the Discom, and enables investment in infrastructure, smart metering, and loss reduction, ultimately improving reliability and quality of supply.                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 67.    | <b>Asmin Industries</b>        | Kheri Shahpur, Israna (Panipat)                                             | Concern regarding <b>Service Connection Charges (SCC)</b> especially where consumers install infrastructure themselves. Request for <b>open access system and grid banking facility for solar power.</b> suggestion to allow <b>banking/self-consumption of solar power</b> (use at night) - request to <b>increase net metering limit up to about 5000 kVA or as per MSME level</b> | Service connection charges are levied as per HERC Regulations and cover not only physical infrastructure but also system integration, protection coordination, testing, inspection, and supervision required for safe and reliable supply. Even where infrastructure is installed by the consumer, the Discom retains responsibility for network integration and safety compliance. Net metering provisions are governed by regulatory framework to ensure grid stability and avoid excessive export of power. Any enhancement in limits requires detailed technical evaluation and approval by the Commission. |
| 68.    | <b>Anil Bansal (Secretary)</b> | Woven Fabric Manufacturers Association, G.T. Road, Near Unity Mall, Panipat | Suggestion that <b>meter reading should be taken through modern systems</b> to avoid discrepancies. Request to <b>remove MDI/PT related burden</b> on industry, <b>reduction of fixed charges, increase net metering limit from 500 kW to sanctioned load and to reduce/abolish fuel surcharge.</b>                                                                                  | It is submitted that the Discom is progressively adopting modern technologies including smart meters and automated meter reading systems to enhance accuracy and transparency in billing. MDI/PT-related provisions, net metering limits, and tariff components including fixed charges and fuel surcharge (FPPAS) are governed by the Regulations and tariff orders approved by the Hon'ble Commission.                                                                                                                                                                                                        |

| Sr. No | Name of Objector                            | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                          | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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|        |                                             |                        |                                                                                                                                                                                                                                                                      | Fixed charges are essential for recovery of system costs, while FPPAS is a statutory mechanism for adjustment of power purchase cost variations. Any modification in these provisions, including enhancement of net metering limits, would require approval of the Hon'ble Commission and cannot be addressed within ARR proceedings. Accordingly, the suggestions do not warrant modification in the tariff proposal.                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 69.    | Ram (on behalf of B.S. Spinners / consumer) | Panipat                | Request for <b>reduction/abolition of increased fixed charges</b> due to financial burden on industry. Concern regarding <b>higher municipal corporation charges and electricity duty</b> and suggestion that <b>billing should be based on kWh instead of kVAh.</b> | It is respectfully submitted that fixed charges are determined by the Hon'ble Commission as part of the approved two-part tariff structure to recover fixed costs of the distribution system, including infrastructure, O&M, depreciation, and interest, which are incurred irrespective of consumption. The recent revision has been undertaken after a long gap to align tariffs with cost-reflective principles; hence, reduction or abolition is not feasible. With regard to municipal corporation charges and electricity duty, it is submitted that these are statutory levies imposed by the State Government/Local Bodies and are collected by the Discom on their behalf. These charges do not form part of tariff and cannot be modified under ARR proceedings. Regarding billing on kWh instead of kVAh, it is submitted that kVAh- |

| Sr. No | Name of Objector                                                 | Organization / Address   | Main Concern / Issue Raised                                                                                                                                                                  | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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|        |                                                                  |                          |                                                                                                                                                                                              | based billing is adopted as per approved tariff to encourage better power factor and efficient system operation. Any change in billing methodology would require approval of the Hon'ble Commission. Accordingly, the issues raised do not warrant any modification in the tariff proposal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 70.    | <b>Bir Bhan Singh, Industrial Area Manufacturers Association</b> | Industrial Area, Panipat | Request to <b>increase LT category load limit from 50 kW to 100 kW</b> , stated that current limit forces small industries to shift to HT connection causing additional capital expenditure. | It is respectfully submitted that the load limits for LT and HT categories are governed by the provisions of the applicable Supply Code Regulations and are determined based on technical feasibility, system capacity, safety considerations, and network planning requirements. The existing limit of 50 kW for LT supply has been prescribed to ensure efficient operation of the distribution system and to maintain reliability and voltage profile. Any enhancement of this limit to 100 kW would require detailed technical evaluation of network capability and approval of the Hon'ble Commission. Further, HT connections, though involving initial capital expenditure, provide advantages such as improved supply reliability, better voltage profile, and suitability for higher loads. Accordingly, the suggestion does not warrant modification under the present ARR proceedings. |

| Sr. No | Name of Objector                | Organization / Address         | Main Concern / Issue Raised                                                                                                                                                                                                        | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| 71.    | <b>Bhushan Madan</b>            | Barsat Road, Noorwala, Panipat | Request for <b>independent feeder</b> to reduce line loss, improvement in feeder connectivity and easier permissions and clearances (Forest/PWD/NHAI etc.) for new feeder installation.                                            | Line losses are inherent in any electrical network due to technical factors such as resistance and cannot be eliminated entirely, even on independent feeders. Independent feeders improve reliability and reduce losses but do not eliminate them. The number of connections on independent feeders is governed by HERC Regulations and depends on technical feasibility and economic viability, as such feeders involve dedicated infrastructure and higher costs. Installation of feeders and infrastructure requires statutory clearances from multiple agencies, which may cause procedural delays beyond the control of the Discom. |
| 72.    | <b>Bhim Sain</b>                | Barsat Road, Noorwala, Panipat | Request for <b>solar subsidy for industrial consumers</b> similar to domestic consumers.                                                                                                                                           | Provision of subsidy for rooftop solar falls under policy domain of Government and not within ARR/tariff determination.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 73.    | <b>Balaji Loomtex Pvt. Ltd.</b> | Nimbri Bapoli Road             | Difficulty in operating industry due to <b>high fixed charges</b> , request to reduce fixed charges and link them with supply time and objection to <b>service charges levied for increasing contract demand after reduction</b> . | Fixed charges are justified due to cost escalation and under-recovery of fixed costs in ARR. Service connection/augmentation charges are levied as per HERC Regulations and relate to system expansion. Flexi load scheme has been proposed to provide operational flexibility to consumers.                                                                                                                                                                                                                                                                                                                                              |
| 74.    | <b>Dinesh Khurana</b>           | Barsat Road, Noorwala, Panipat | Request to <b>increase LT connection limit from 50 kW to 100 kW</b> to reduce consumer charges and facilitate industrial connections.                                                                                              | Load limits for LT and HT categories are determined as per Supply Code Regulations, considering technical constraints such as transformer capacity,                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |



| Sr. No | Name of Objector | Organization / Address   | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                        | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|        |                  |                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                    | feeder loading, and system stability. Any revision in such limits requires detailed technical and financial assessment and cannot be undertaken solely based on comparison with other states.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 75.    | Deluxe Cotspin   | Industrial Area, Panipat | Request that <b>independent feeders be connected to a single transformer</b> to avoid tripping during faults, increase <b>capacity of 132 kV/33 kV substations</b> to avoid transformer overloading, <b>fixed charges on independent feeders are very high</b> , solar power purchase should be allowed at subsidized rates and at separate locations for industries and <b>FPPAS, municipal tax and fixed charges should be removed/reduced</b> . | It is respectfully submitted that issues relating to feeder configuration, transformer capacity augmentation, and tripping are technical and operational in nature. The design of independent feeders, interconnection with transformers, and augmentation of substations are carried out based on system planning criteria, load growth, and technical feasibility. Necessary system strengthening and capacity augmentation works are undertaken on a continuous basis to ensure reliable supply and to avoid overloading. With regard to fixed charges, it is submitted that the same are determined by the Hon'ble Commission as part of the two-part tariff structure to recover fixed costs of the distribution system. The charges are cost-reflective and necessary for maintaining infrastructure and ensuring quality supply. Regarding solar power purchase at subsidized rates and at separate locations, it is submitted that such provisions are governed by policies/regulations relating to renewable energy, open access, and |

| Sr. No | Name of Objector | Organization / Address                             | Main Concern / Issue Raised                                                                                                                                                                                                                             | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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|        |                  |                                                    |                                                                                                                                                                                                                                                         | <p>net/gross metering, and any subsidy or special dispensation falls within the domain of the Government and the Hon'ble Commission, not within ARR proceedings. FPPAS is a statutory mechanism under the MYT Regulations for recovery of variation in power purchase cost and cannot be removed, as it ensures that tariffs remain cost-reflective and utilities remain financially viable.</p> <p>Municipal tax is a statutory levy imposed by local bodies and collected by the Discom on their behalf; it is not part of tariff and cannot be modified under ARR. Accordingly, the issues raised are either operational in nature or governed by existing regulatory provisions, and do not warrant any modification in the ARR or tariff proposal.</p> |
| 76.    | Elite Textiles   | Opp. D.A.V. Public School, Thermal Colony, Panipat | <p>Complaint regarding <b>frequent power cuts, tripping and voltage fluctuations</b>.</p> <p>Request to <b>reduce fixed charges and duties</b> as production cost is increasing and objection to <b>levy of municipal tax in electricity bills</b>.</p> | <p>It is respectfully submitted that issues relating to frequent power cuts, tripping, and voltage fluctuations are operational in nature and depend on local network conditions. The same have been noted and are addressed through continuous system strengthening, preventive maintenance, and upgradation of distribution infrastructure to ensure reliable and quality power supply.</p> <p>With regard to reduction in fixed charges, it is submitted that fixed charges are determined</p>                                                                                                                                                                                                                                                           |

| Sr. No | Name of Objector     | Organization / Address                                                     | Main Concern / Issue Raised                                                                                                                                                           | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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|        |                      |                                                                            |                                                                                                                                                                                       | by the Hon'ble Commission as part of the approved two-part tariff structure to recover fixed costs such as power purchase commitments, network infrastructure, O&M expenses, depreciation, and interest. These costs are incurred irrespective of consumption; therefore, reduction is not feasible within the present regulatory framework. Further, duties and municipal tax are statutory levies imposed by the State Government/Local Bodies and are collected by the Discom on their behalf. These charges are not part of tariff and cannot be modified under ARR proceedings. Accordingly, the objections raised do not warrant any modification in the ARR or tariff proposal |
| 77.    | <b>Gulshan Arora</b> | President, Ugra Khedi Industrial Welfare Association, Sanoli Road, Panipat | <b>GEO switches are of poor quality, issues in 132 kV to 33 kV conductor system, frequent mains supply failures and suggestion to streamline complaint handling and permit system</b> | It is respectfully submitted that the issues raised regarding quality of GEO switches, performance of 132 kV/33 kV conductors, and frequent mains supply failures are operational and technical in nature, which depend on field conditions and system configuration. The same have been noted and forwarded to the concerned operation wing for necessary examination and corrective action. DHBVN continuously undertakes system strengthening, preventive maintenance, and upgradation of equipment                                                                                                                                                                                |

| Sr. No | Name of Objector     | Organization / Address                            | Main Concern / Issue Raised                                                                                                                                                                          | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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|        |                      |                                                   |                                                                                                                                                                                                      | to improve reliability and quality of supply. With regard to streamlining of complaint handling and permit systems, it is submitted that the Discom has already established multiple consumer grievance redressal mechanisms, including online complaint portals, centralized call centres, and monitoring systems to ensure timely resolution. Efforts are ongoing to further enhance efficiency, transparency, and responsiveness. Accordingly, the issues raised do not fall within the scope of ARR and tariff determination. |
| 78.    | <b>Gulshan Lal</b>   | G.G. Weavers, Chhajpur Sub Division               | Concern regarding <b>HT supply charges not being properly adjusted and repeated 33 kV feeder failures in Sector-24 Panipat Sub Division. 132/33 kV line system is weak</b> and needs improvement.    | Issues regarding billing adjustments and faults in lines are operational in nature and have been forwarded to the concerned field offices. The tariff framework already provides for night-time rebate to encourage off-peak consumption and better load management. Consumer grievance mechanisms including online portals and call centres are available for resolution.                                                                                                                                                        |
| 79.    | <b>Guru Textiles</b> | Assandh Road, Near Thermal Power Station, Panipat | Complaint regarding <b>frequent power cuts and voltage fluctuations</b> despite having an <b>independent feeder</b> . Concern about <b>high line loss charges</b> and request for corrective action. | Tariff determination is based on ARR and regulatory framework, and reduction is not feasible due to revenue gap requirements. Operational issues like tripping are addressed separately through grievance mechanisms. Conditions for independent feeders are                                                                                                                                                                                                                                                                      |

| Sr. No | Name of Objector | Organization / Address   | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                              | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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|        |                  |                          |                                                                                                                                                                                                                                                                                                                          | governed by Regulations and technical feasibility. Municipal taxes are statutory levies imposed by Government and not part of tariff.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 80.    | H. R. Overseas   | Village Mehrana, Panipat | Industrial tariff should not be increased, <b>fixed charges should be rationalized/reduced</b> especially during low production periods<br>Request for <b>ToD (Time of Day) incentive, reduction in fixed charges and line loss charges should not be applicable on industrial consumers having independent feeders.</b> | It is respectfully submitted that tariff, including industrial tariff and fixed charges, is determined by the Hon'ble Commission in accordance with the Electricity Act, 2003 and HERC MYT Regulations based on prudently incurred costs and approved ARR. The recent revision has been undertaken after a considerable gap to align tariffs with cost-reflective principles; therefore, reduction in tariff or fixed charges is not feasible. Fixed charges are part of the approved two-part tariff structure and are levied to recover fixed costs of the system such as infrastructure, O&M, depreciation, and interest, which are incurred irrespective of actual consumption, including during low production periods. Hence, rationalization linked to production levels is not permissible under the current regulatory framework.<br>With regard to Time-of-Day (ToD) incentive, it is submitted that ToD tariff/incentives are part of tariff design determined by the Hon'ble Commission to promote load shifting and efficient utilization of power. Any modification or additional incentives would require approval of the Commission. |

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|        |                                 |                                                                  |                                                                                                                                                                                                                                                                                                                   | Regarding levy of line losses on consumers connected through independent feeders, it is submitted that technical losses are inherent in the distribution system and cannot be eliminated entirely. Independent feeders improve reliability but do not eliminate system losses; therefore, applicable charges are levied in accordance with regulatory provisions. Accordingly, the objections raised do not warrant any modification in the ARR or tariff proposal.                                                          |
| 81.    | <b>Harcharan Singh Dhammu</b>   | Sec-25 Part-I Industrial Estate, Panipat                         | Request to <b>change billing basis from kVAh to kWh, fixed charges should be reduced and not increased, electricity duty should be reduced/removed, municipal tax should not be charged in electricity bills and relief for industries engaged in exports.</b>                                                    | Billing on kVAh basis and levy of fixed charges are strictly in accordance with the tariff approved by the Hon'ble Commission. kVAh-based billing incentivizes maintenance of better power factor, reduces system losses, and improves grid efficiency. Electricity duty and municipal taxes are statutory levies imposed by the State Government and local bodies, respectively, and are collected by the Discom on their behalf. These charges are not part of tariff revenue and cannot be modified under ARR proceedings |
| 82.    | <b>Vinod Dhamija (Chairman)</b> | Haryana Chamber of Commerce & Industry, District Panipat Chapter | Requested <b>increase in cap of solar net metering from 500 kVA to sanctioned load</b> of industrial units, objection to <b>sharp increase in fixed electricity charges from ₹165/kVA to ₹290/kVA</b> , request to <b>increase connection limit on independent feeders to at least 10 connections per feeder.</b> | The issues regarding enhancement of LT load limit, net metering, and independent feeder provisions are governed by Supply Code and technical regulations, which consider system capacity, safety, and network constraints. Any                                                                                                                                                                                                                                                                                               |

| Sr. No | Name of Objector | Organization / Address   | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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|        |                  |                          | <p>Suggestion to <b>replace manual meter reading with remote/online metering</b> and objection to <b>line loss burden being passed to consumers on independent feeders</b>.</p> <p>Request to <b>increase LT industrial load limit from 50 kW to 100 kW</b> so that MSME units are not compelled to shift to HT connection, highlighted <b>high capital and operational cost of HT connections</b> (HT metering panel, RMU/VCB, transformer yard, safety approvals, maintenance etc.), stated that small industries incur <b>₹4-12 lakh additional cost</b> for HT system, suggested that allowing <b>50-100 kW consumers in LT category</b> will support MSMEs, promote industrial investment, generate employment and improve ease of doing business.</p> | <p>change in such parameters requires detailed technical and financial assessment and approval of the Commission.</p> <p>The revision in fixed charges has been undertaken after a prolonged period during which no increase was made despite rising power purchase costs, O&amp;M expenses, and financing costs. The revision is moderate and aims to gradually align tariffs with actual cost structure. Further, only normative distribution losses approved by the Hon'ble Commission are considered in ARR, and the Discom has significantly reduced losses over the years through continuous operational improvements, the benefits of which have been passed on to consumers</p> |
| 83.    | Jyoti Cottex     | Village Khandra, Panipat | Frequent <b>power tripping and supply interruptions</b> affecting industrial operations, production loss due to repeated tripping and concern regarding <b>high fixed charges</b> in electricity bills.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <p>The increase in fixed charges from ₹165/kVA to ₹290/kVA reflects a gradual and moderate increase over nearly a decade and corresponds to a reasonable annual growth rate. During this period, tariffs remained largely unchanged despite significant increases in power procurement costs, transmission charges, and O&amp;M expenses. A substantial portion of ARR (around 45-50%) comprises fixed costs such as O&amp;M, depreciation, interest, and return on equity, whereas historically only a small</p>                                                                                                                                                                       |

| Sr. No | Name of Objector | Organization / Address                     | Main Concern / Issue Raised                                                                                                                                                   | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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|        |                  |                                            |                                                                                                                                                                               | portion of revenue has been recovered through fixed charges. This mismatch necessitated tariff rationalisation. The revised structure ensures balanced cost recovery, strengthens financial sustainability of the Discom, and enables investment in infrastructure, smart metering, and loss reduction, ultimately improving reliability and quality of supply.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 84.    | Joginder Khurana | Vidyanand Colony, Jain Sweet Gali, Panipat | <b>Fixed charges are very high</b><br>Request reduction in fixed charges as industries already face high tariff and have to compete with international markets (e.g., China). | The increase in fixed charges from ₹165/kVA to ₹290/kVA reflects a gradual and moderate increase over nearly a decade and corresponds to a reasonable annual growth rate. During this period, tariffs remained largely unchanged despite significant increases in power procurement costs, transmission charges, and O&M expenses. A substantial portion of ARR (around 45–50%) comprises fixed costs such as O&M, depreciation, interest, and return on equity, whereas historically only a small portion of revenue has been recovered through fixed charges. This mismatch necessitated tariff rationalisation. The revised structure ensures balanced cost recovery, strengthens financial sustainability of the Discom, and enables investment in infrastructure, smart metering, and loss reduction, ultimately improving reliability and quality of supply. |



| Sr. No | Name of Objector           | Organization / Address                           | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                              | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                         |
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| 85.    | Smt. Kanchan Dua           | Vidyanand Colony, Panipat                        | <b>Manual meter reading discrepancies,</b> suggestion for improved/modernized meter reading system, <b>fixed charges should be reduced and peak hour charges should be clearly detailed in bills</b> and properly adjusted.                                                                                                                                                                                                                              | Smart metering is being implemented in a phased manner to improve accuracy and transparency. The revision in fixed charges is justified due to under-recovery of fixed costs, with nearly 47% of ARR comprising fixed costs while only a small portion is recovered through fixed charges. Peak Load Charges are levied to manage demand during peak hours and ensure grid stability and optimal utilization of resources.                      |
| 86.    | Kapoor Industries Ltd.     | G.T. Road, Samalkha, Panipat                     | Requested <b>waiver of augmentation charges for extension of load on 33 kV independent feeder</b><br>Sought <b>extension of time for availing sanctioned load without penalty,</b> requested <b>reduction/waiver of fixed charges on unutilized portion of sanctioned load.</b><br>Raised objection regarding <b>incorrect charging of line losses</b> and requested an independent technical review/committee to verify the calculation of line losses. | Issues regarding service connection/augmentation charges and sanctioned load are governed by HERC Regulations and do not fall within ARR scope. Fixed charges are linked to sanctioned load to recover infrastructure costs. Flexi load scheme has been proposed for consumer flexibility.                                                                                                                                                      |
| 87.    | M/s Krishana International | Opp. D.A.V. Public School, Assandh Road, Panipat | Requested <b>reduction in electricity tariff by about 22–25%</b> to meet global competition; also requested <b>removal of municipal tax from electricity bills.</b>                                                                                                                                                                                                                                                                                      | It is respectfully submitted that tariff determination is carried out by the Hon'ble Commission in accordance with the Electricity Act, 2003 and HERC MYT Regulations based on prudently incurred costs and approved Aggregate Revenue Requirement. In view of the existing revenue gap and cost structure, reduction in tariff by 22–25% is not feasible, as tariffs are required to be cost-reflective to ensure financial sustainability and |

| Sr. No | Name of Objector       | Organization / Address      | Main Concern / Issue Raised                                                                                                                                                                                                  | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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|        |                        |                             |                                                                                                                                                                                                                              | reliable supply of electricity.<br>With regard to municipal tax, it is submitted that the same is a statutory levy imposed by the State Government/Local Bodies and is collected by the Discom on their behalf. It does not form part of tariff and, therefore, cannot be modified under ARR proceedings.<br>Accordingly, the objections raised do not warrant any modification in the tariff proposal.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 88.    | M.K. Spuntex Pvt. Ltd. | Gohana Road, Dahar, Panipat | <b>Fixed charges are very high,</b> objection to <b>line loss charges being levied on consumers connected through independent feeders</b> and stating that consumers already bear the cost of their own line infrastructure. | It is respectfully submitted that the revision in fixed charges has been undertaken by the Hon'ble Commission after a considerable gap to align tariffs with cost-reflective principles. Fixed charges are essential for recovery of fixed costs such as power purchase commitments, network infrastructure, O&M expenses, depreciation, and interest, which are incurred irrespective of actual consumption. The revision is moderate and necessary to ensure financial sustainability and reliable power supply.<br>With regard to levy of line losses on consumers connected through independent feeders, it is submitted that technical losses are inherent in any electrical distribution system due to resistance of conductors, transformers, and length of lines, and cannot be eliminated entirely. Even in case of independent feeders, electricity flows through the distribution |

| Sr. No | Name of Objector                      | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                              | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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|        |                                       |                        |                                                                                                                                                                                                                                                                                                                          | network and associated losses are unavoidable. Further, while consumers may bear certain costs for dedicated infrastructure, the Discom remains responsible for overall system operation, maintenance, and integration with the grid. Therefore, levy of applicable charges, including losses, is in accordance with regulatory provisions. Accordingly, the objections raised are not tenable.                                                          |
| 89.    | <b>Panipat Industrial Association</b> | District Panipat       | Requested <b>reduction in tariff and fixed charges</b> , stating that electricity tariff in Haryana is higher than neighboring states and affecting industrial competitiveness AND also raised issue regarding <b>GST on departmental charges and double GST after approval</b> and concerns of <b>MSME industries</b> . | Issues relating to voltage fluctuation and breakdowns are operational and have been forwarded to concerned offices. Fixed charge revision is moderate and still lower compared to many other states, ensuring competitiveness. Line losses cannot be eliminated even on independent feeders due to inherent technical constraints.                                                                                                                       |
| 90.    | <b>Rajat Spinners</b>                 | Barsat Road, Panipat   | Requested <b>rollback of recent tariff increase</b> , issue regarding <b>billing cycle/bi-monthly bills and surcharge</b> , objection to <b>increase in fixed charges</b> and requested <b>solar subsidy for HT consumers</b> .                                                                                          | The increase in fixed charges from ₹165/kVA to ₹290/kVA reflects a gradual and moderate increase over nearly a decade and corresponds to a reasonable annual growth rate. During this period, tariffs remained largely unchanged despite significant increases in power procurement costs, transmission charges, and O&M expenses. A substantial portion of ARR (around 45–50%) comprises fixed costs such as O&M, depreciation, interest, and return on |

| Sr. No | Name of Objector                              | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                   |
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|        |                                               |                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | equity, whereas historically only a small portion of revenue has been recovered through fixed charges. This mismatch necessitated tariff rationalisation. The revised structure ensures balanced cost recovery, strengthens financial sustainability of the Discom, and enables investment in infrastructure, smart metering, and loss reduction, ultimately improving reliability and quality of supply. |
| 91.    | <b>Ravinder Khurana (Sawal Shah Textiles)</b> | Panipat                | suggested improvements in <b>distribution equipment (switches/boards) and maintenance</b> to reduce supply issues                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Issues regarding installation of equipment (GO switch) are local operational matters and have been forwarded for resolution. The Discom has robust grievance redressal mechanisms and scheduled outage information systems to ensure transparency and consumer awareness. High performance ratings reflect commitment towards reliable supply.                                                            |
| 92.    | <b>R.K. Sharma</b>                            | Individual Objector    | <b>Raised concerns regarding capital expenditure claimed by DHBVN/UHBVN, stating that significant capex has been incurred on release of connections and infrastructure without proper capitalization details, alleged improper recovery of service connection/line extension charges from consumers contrary to earlier practices, highlighted misinterpretation of HERC regulations and sales circulars regarding recovery of line extension costs, alleged ineffective audit mechanisms in the Nigam and manipulation of rates benefiting contractors and suggested social audit and stricter</b> | <b>Connection charges are levied strictly as per HERC Regulations and applicable procedures. Audit mechanisms including financial audit, energy audit, and regulatory scrutiny are already in place. Public consultation and stakeholder participation form an integral part of tariff determination, ensuring transparency.</b>                                                                          |

| Sr. No | Name of Objector | Organization / Address                | Main Concern / Issue Raised                                                                                                                                                                                                                                                                              | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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|        |                  |                                       | financial scrutiny to curb excess expenditure.                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 93.    | Satish Kumar     | Individual Consumer                   | Requested reduction of <b>fixed charges</b> , clarification on <b>GST applicability</b> , and stated that AI-based or other technological systems should be properly implemented to reduce unnecessary billing issues. Also requested improvement in <b>billing transparency and correction cycles</b> . | The increase in fixed charges is justified as earlier charges remained non-cost-reflective for nearly a decade despite rising costs. The revision reflects only a modest annual increase (~5.49% CAGR) and aligns with regulatory principles. Fixed charges are necessary to recover network-related costs such as O&M, depreciation, interest, and return on equity. Security deposit norms (approx. two months' billing) are as per HERC Regulations and are essential to safeguard revenue during the billing cycle. Further, the Discom has implemented extensive digital infrastructure to improve transparency, consumer services, and grievance redressal. |
| 94.    | Suresh Sardana   | 69, Old Jamat Vihar, Devi Mandir Road | Submitted that the <b>existing 12 kV line in the area is overloaded</b> , leading to voltage issues. Requested <b>separate feeder/line or improvement of supply infrastructure</b> . Also raised concern regarding <b>high fixed charges</b> .                                                           | Fixed charges in the domestic category are levied based on connected load, as the system is designed to meet the sanctioned capacity at all times. When a consumer opts for higher load, corresponding infrastructure capacity must be reserved, leading to higher fixed charges. This is not a profit mechanism but a cost allocation principle based on network planning requirements. Consumers have the option to apply for reduction in sanctioned load under the provisions of the Supply                                                                                                                                                                   |

| Sr. No | Name of Objector | Organization / Address  | Main Concern / Issue Raised                                                                                                                                                                                             | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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|        |                  |                         |                                                                                                                                                                                                                         | Code Regulations if the higher load is not required.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 95.    | Suresh Jindal    | Shivaji Colony, Panipat | Requested <b>reduction of fixed charges, lower unit rates, promotion and subsidy for solar systems, proper annual maintenance of transformers and lines, and reconsideration of municipal tax in electricity bills.</b> | <p>It is respectfully submitted that tariff, including fixed charges and energy charges, is determined by the Hon'ble Commission in accordance with the Electricity Act, 2003 and HERC MYT Regulations based on prudently incurred costs. The revision in fixed charges has been undertaken after a considerable gap to align tariffs with actual cost structure, as a significant portion of ARR comprises fixed costs such as power purchase commitments, O&amp;M expenses, depreciation, and interest. Accordingly, reduction in tariff is not feasible.</p> <p>With regard to promotion and subsidy for solar systems, it is submitted that such incentives fall within the policy domain of the State/Central Government and concerned renewable energy agencies, and are not part of tariff determination under ARR proceedings.</p> <p>Issues relating to maintenance of transformers, lines, and overall supply reliability are operational in nature and are being continuously addressed by the Discom through system strengthening, preventive maintenance, and infrastructure upgradation.</p> <p>Regarding municipal tax, it is submitted that the same is a statutory levy</p> |

| Sr. No | Name of Objector                     | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                        | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|        |                                      |                        |                                                                                                                                                                                                                                                                                                                                    | imposed by the State Government/Local Bodies and is collected by the Discom on their behalf. It does not form part of tariff and cannot be modified under ARR proceedings. Accordingly, the objections raised do not warrant any modification in the ARR or tariff proposal.                                                                                                                                                                                                                                                                                                                   |
| 96.    | <b>The Panipat Dyers Association</b> | Sector 29-II, Panipat  | Requested <b>reduction of fixed charges and tariff rates</b> , calculation of fixed charges based on <b>actual MDI</b> , improvement in <b>supply reliability and maintenance</b> , reduction of <b>FSA</b> , and stated that high electricity tariff is affecting <b>industrial competitiveness in the international market</b> . | Fixed charges are justified as they remained non-cost-reflective for years and are necessary to recover infrastructure-related costs. Levy on sanctioned load (not MDI) is appropriate since infrastructure is designed to meet full contracted demand. Tariff cannot be reduced due to existing revenue gap and requirement of cost-reflective tariff under regulatory provisions. FPPAS is a statutory mechanism for recovery of power purchase cost variations and cannot be removed. Meter labs, outage information, and grievance systems are already in place to ensure service quality. |
| 97.    | <b>Sandeep Jindal</b>                | Panipat                | Requested <b>reduction of fixed charges and tariff rates</b> , promotion and subsidy for <b>solar systems</b> and <b>requested to shift meter checking lab to Panipat from Karnal</b> .                                                                                                                                            | It is respectfully submitted that tariff, including fixed charges, is determined by the Hon'ble Commission in accordance with the Electricity Act, 2003 and HERC MYT Regulations based on prudently incurred costs. The recent revision in fixed charges has been undertaken after a long gap to align tariffs with actual cost structure, as fixed costs such as                                                                                                                                                                                                                              |

| Sr. No | Name of Objector                                                    | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                              | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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|        |                                                                     |                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <p>O&amp;M, depreciation, and interest constitute a significant portion of ARR. Accordingly, reduction in tariff/fixed charges is not feasible.</p> <p>With regard to promotion and subsidy for solar systems, it is submitted that such incentives fall within the policy domain of the State/Central Government and the concerned renewable energy agencies, and are not part of tariff determination under ARR proceedings.</p> <p>Regarding shifting of meter testing laboratory to Panipat, it is submitted that meter testing facilities have been established at designated locations as per regulatory requirements. The issue raised is operational in nature and has been noted for consideration by the concerned authorities.</p> <p>Accordingly, the objections raised do not warrant any modification in the ARR or tariff proposal.</p> |
| 98.    | <b>Suncity Residents Welfare Association (through Kusum Sharma)</b> | Suncity, Gurugram      | <p>Vide 25.02.2026<br/> <b>OBJECTION UNDER SECTIONS 61, 62, 64 AND 86 OF THE ELECTRICITY ACT, 2003</b><br/> <b>1. JURISDICTIONAL FOUNDATION</b><br/> This Hon'ble Commission derives its tariff determination powers under:<br/> Section 61 – Tariff Regulations<br/> Section 62 – Determination of Tariff<br/> Section 64 – Procedure for Tariff Order<br/> Section 86(1)(a) – Regulation of electricity purchase and procurement process of distribution licensees</p> | <p>It is respectfully submitted that the tariff proposal strictly adheres to the Electricity Act, 2003 and HERC MYT Regulations, ensuring recovery of only prudently incurred costs. All expenses including power purchase and O&amp;M are subject to rigorous prudence check and regulatory scrutiny. The ARR does not include inefficiencies, and loss reduction and operational improvements have been consistently achieved.</p>                                                                                                                                                                                                                                                                                                                                                                                                                   |



| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Discom Reply / Comments                                                                                                                                                                                                                                                                     |
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|        |                  |                        | <p>Under Section 61(d), this Hon'ble Commission is mandated to safeguard consumer interest while ensuring recovery of cost of electricity in a reasonable manner. Under Section 61(c), efficiency, economy, and performance must guide tariff determination. Under Section 61(g), tariff must reflect prudent cost. Therefore, recovery of inefficient, imprudent, or non-compliant expenditure is legally impermissible.</p> <p><b>2. NON-IMPLEMENTATION OF REPORT NO. 6 OF 2022 – REGULATORY CONCERN</b><br/>Report No. 6 of 2022 identified systemic non-compliance with tariff orders and regulatory discipline. Despite clear findings, corrective structural reforms remain unimplemented. This raises serious concerns under:<br/>Section 61(c) – Efficiency &amp; economy<br/>Section 86(1)(a) – Regulation of procurement<br/>Section 62 – Prudence check in tariff determination</p> <p><b>3. SPECIFIC INSTANCES OF REGULATORY NON-COMPLIANCE</b><br/><b>(A) Excess Fixed Cost Recovery – Violation of Tariff Orders</b><br/>Tariff orders issued under Section 62 are binding. Recovery beyond approved norms:<br/>Violates statutory tariff determination framework<br/>Undermines regulatory sanctity<br/>Transfers inefficiency to consumers<br/>Such excess recovery cannot pass prudence scrutiny.</p> <p><b>(B) Excess Interest on Working Capital</b><br/>Section 61 mandates cost-reflective and prudent tariff. Interest claims beyond actual admissible requirement:<br/>Inflate ARR artificially<br/>Contravene normative framework<br/>Burden consumers unlawfully</p> | <p>Revenue gap represents legitimate recovery of deferred costs arising due to uncontrollable factors such as fuel price variation and regulatory lag, and is subject to approval of the Hon'ble Commission. Accordingly, the objections do not warrant any modification in ARR/tariff.</p> |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Discom Reply / Comments |
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|        |                  |                        | <p><b>(C) Merit Order Dispatch (MOD) Violations</b><br/> Under Section 86(1)(a), this Commission regulates procurement process.<br/> <b>Audit findings show:</b><br/> Improper variable cost comparison<br/> Failure to strictly apply Merit Order Dispatch<br/> Absence of optimisation techniques<br/> Merit Order is not discretionary — it is intrinsic to prudent procurement under the least-cost principle.<br/> Failure to apply MOD strictly amounts to violation of statutory procurement discipline.</p> <p><b>(D) Capacity Planning Without Scientific Demand Estimation</b><br/> Section 61(c) requires efficiency and economy.<br/> Audit observed:<br/> Excess contracted capacity<br/> Backing down of generating units<br/> Fixed cost burden despite underutilisation<br/> Such imprudent capacity planning cannot be socialised through tariff.</p> <p><b>(E) Inventory &amp; Working Capital Inefficiencies</b><br/> Excess working capital locking beyond normative limits:<br/> Violates financial discipline<br/> Increases avoidable interest cost<br/> Fails prudence test under Section 62</p> <p><b>4. QUANTIFIED FINANCIAL BURDEN IDENTIFIED BY AUDIT</b><br/> Issue Amount (₹ Crore)<br/> Excess contracted capacity &amp; backing down 1,109.25<br/> Excess fixed cost recovery 164.33<br/> Excess interest on working capital 6.80<br/> Improper MOD scheduling 28.16<br/> PLF shortfall 237.19<br/> Excess inventory interest 12.59<br/> Total Quantified Impact: ₹1,558.32 Crore</p> <p><b>5. REVENUE GAP CLAIMED IN PETITION NO. 95 OF 2025</b><br/> The Petition claims:</p> |                         |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Discom Reply / Comments |
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|        |                  |                        | <p>Net Regulatory Revenue Gap: ₹4,484.71 Crore</p> <p>However, this gap is cumulative and arises from:</p> <p>Power purchase cost variation</p> <p>AT&amp;C loss deviation</p> <p>Subsidy under-recovery</p> <p>Interest &amp; finance cost compounding</p> <p>Multi-year regulatory lag</p> <p>The dominant structural driver remains power procurement inefficiency.</p> <p><b>6. STATUTORY POSITION ON PRUDENCE CHECK</b></p> <p>It is a settled regulatory principle that:</p> <p>Only prudent costs are allowable</p> <p>Inefficient procurement cannot be passed through</p> <p>Regulatory assets cannot become perpetual consumer liabilities</p> <p>The Hon'ble Commission must apply strict prudence scrutiny before allowing recovery.</p> <p><b>7. APPLICATION OF ELECTRICITY ACT PRINCIPLES</b></p> <p>Under Section 61(d):</p> <p>Consumer interest is paramount.</p> <p>Under Section 61(c):</p> <p>Efficiency must be incentivised.</p> <p>Under Section 86(1)(a):</p> <p>Procurement must be regulated.</p> <p>Under Section 62:</p> <p>Tariff must reflect reasonable and prudent cost.</p> <p>Therefore: Tariff increase cannot compensate for systemic inefficiency.</p> <p><b>8. REGULATORY DISCIPLINE AND FUTURE IMPLICATIONS</b></p> <p>If tariff escalation is allowed without structural reform:</p> <p>Inefficiency becomes institutionalised</p> <p>Procurement discipline weakens</p> <p>Consumers lose regulatory protection</p> <p>Financial stress compounds further</p> <p>Regulatory discipline works only when:</p> <p>Loss targets are enforced</p> |                         |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Discom Reply / Comments |
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|        |                  |                        | <p>Procurement strictly follows Merit Order</p> <p>Working capital norms are adhered to Demand estimation is scientific Subsidy commitments are timely</p> <p><b>9. PRAYER</b></p> <p>In view of the above, it is respectfully prayed that this Hon'ble Commission may:</p> <ol style="list-style-type: none"> <li>1. Apply strict prudence check under Sections 61 and 62 of the Electricity Act, 2003.</li> <li>2. Disallow recovery of costs arising from regulatory non-compliance and imprudent procurement.</li> <li>3. Direct strict implementation of recommendations of Report No. 6 of 2022.</li> <li>4. Mandate transparent and auditable Merit Order compliance framework or ensure strict adherence to Merit Order Dispatch with transparent landed cost comparison.</li> <li>5. Direct time-bound reduction of AT&amp;C losses.</li> <li>6. Ensure working capital claims are strictly normative.</li> <li>7. Prevent socialisation of inefficiency through tariff.</li> <li>8. Avoid tariff increase unless demonstrable efficiency gains and regulatory compliance are established.</li> <li>9. Issue monitoring directions under Section 86(1)(a) to strengthen procurement discipline.</li> <li>10. Protect consumer interest by prioritising efficiency, recovery improvement, and cost optimisation over tariff escalation.</li> </ol> <p><b>10. CONCLUSION</b></p> <p>The ₹4,484.71 crore gap is not merely a revenue shortfall. It reflects:</p> <ul style="list-style-type: none"> <li>Multi-year inefficiencies</li> <li>Procurement deficiencies</li> <li>Regulatory non-compliance</li> <li>Compounding financial burden</li> </ul> <p>The Electricity Act, 2003 mandates efficiency, economy, and consumer protection. Tariff determination must not legitimise imprudence.</p> |                         |

| Sr. No | Name of Objector               | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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|        |                                |                        | The Hon'ble Commission is respectfully requested to uphold statutory discipline, enforce audit recommendations, and protect consumer interest in the true spirit of the Electricity Act, 2003.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 99.    | Jindal Rolling Mills Pvt. Ltd. | Delhi Road, Hisar      | <p>Vide email dated 25.02.2026</p> <p><b>Subject: Clarification regarding service connection charges (SCC) for load enhancement on an existing independent feeder.</b></p> <p>We are writing to seek your kind clarification regarding the applicability of Service Connection Charges (SCC) for our industrial unit under the jurisdiction of Dakshin Haryana Bijli Vitran Nigam (DHBVN). The brief facts of our case are as follows:</p> <p>* Load History (2011): In 2011, we increased our load (IOL) from 2500 KVA to 3700 KVA. During this period, an independent feeder was erected and commissioned at our cost.</p> <p>* Initial Deposits: We deposited a sum of Rs. 24,67,000/- as service connection charges with DHBVN at the time of the 2011 load enhancement.</p> <p>* Load Reduction (2016): In 2016, we applied for a reduction of load (ROL), and our load was subsequently reduced. However, our supply continues to be served through the same independent feeder that was originally commissioned in 2011.</p> <p>* Current Requirement: We now intend to increase our load from the current reduced level (2500 KVA) to 3000 KVA using the same existing independent feeder.</p> <p>Matter for Clarification:</p> <p>We seek your guidance on whether Service Connection Charges are applicable for this current load enhancement request. Our query is based on the following regulatory observations:</p> <p>1. <b>Exemption for Independent Feeders:</b> As per HERC orders (notably dated 08.06.2017),</p> | <p>It is submitted that enhancement of load is governed by HERC Regulations, 2016, which permit recovery of Service Connection Charges (SCC) or actual cost (whichever is lower). Even in case of independent feeders, SCC is applicable for load extension as clarified by the Commission.</p> <p>Earlier payments do not create perpetual entitlement, and each load enhancement is treated as a fresh request under prevailing regulations. Accordingly, levy of SCC is justified.</p> |

| Sr. No | Name of Objector                           | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Discom Reply / Comments                                                                                                                                      |
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|        |                                            |                        | <p>existing consumers on independent feeders are generally not required to pay fixed service connection charges for load extensions if no additional expenditure is incurred by the Nigam to supply the additional load.</p> <p>2. <b>Date-Specific Regulations:</b><br/>We note that HERC regulations (Amendment dated 19.03.2020) and subsequent case studies suggest that SCC might be payable for load extensions on independent feeders depending on whether the feeder was erected before or after certain regulatory cutoff dates (e.g., 19.07.2016).</p> <p>3. <b>Credit for Previous Deposits:</b><br/>Since we have already deposited substantial SCC (Rs. 24.67 Lakhs) and our requested load (3000 KVA) remains below our previously sanctioned and paid-for peak of 3700 KVA, we seek clarification on whether we are entitled to credit for previous payments.</p> <p>In light of the above, we request a formal clarification on whether DHBVN can legally demand fresh Service Connection Charges for increasing our load to 3000 KVA on an existing independent feeder for which SCC has already been paid for a higher capacity.</p> |                                                                                                                                                              |
| 100.   | <b>Parveen Kumar, Sarpanch, Dhnasari</b>   | Village Dhnasari Hisar | Requested installation in electricity supply infrastructure in the locality "Shyokaran ki Dhani" as electricity pole already line up. Suggested installation of additional transformer capacity and strengthening of lines.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Request for infrastructure works is operational in nature and does not pertain to ARR. The same is to be addressed separately by the concerned field office. |
| 101.   | <b>Parveen, VP, Hisar Metal Industries</b> | Hisar Industrial Area  | Objected to increase in fixed charges, energy charges and fuel surcharge adjustment in the tariff structure. Stated that such increases adversely affect industrial competitiveness and increase cost of production,                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Tariff components including fixed charges and energy charges are determined by the Commission based on ARR and prudence checks. Fixed charges are            |

| Sr. No | Name of Objector                            | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                  |
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|        |                                             |                        | thereby impacting industrial growth in the region.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | necessary to recover system costs, while fuel surcharge is governed by FSA Regulations and reflects variation in power purchase cost. Accordingly, tariff revision is not arbitrary and request for rollback is not justified.                                                                                                                                                           |
| 102.   | <b>B B Pardhan, Ravindra Pipes</b>          | Delhi Road, Hisar      | Submitted that the previous increase in fixed electricity charges has significantly increased the cost of production for industrial units. Requested that no further increase in tariff or fixed charges should be permitted.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Fixed/demand charges are determined as per statutory tariff framework to recover infrastructure and capacity-related costs. Tariff determination balances consumer interest with financial viability of the sector. Issues related to solar flexibility are governed by separate HERC regulations and cannot be addressed in ARR proceedings. Accordingly, no modification is warranted. |
| 103.   | <b>DCM Textiles (Mrityunjay Chatterjee)</b> | Hisar                  | Vide email dated 25.02.2026<br><b>Subject: Request for compliance of APTEL Judgement dated 13.01.2026 and adjustment/refund of proportionate transformer augmentation charges deposited under protest by DCM Textiles.</b><br>With due respect, it is submitted that the Hon'ble Appellate Tribunal for Electricity (APTEL), vide its common judgment dated 13.01.2026 passed in Appeal No. 237 of 2019 and Appeal No. 368 of 2022 in the matter of DCM Textiles (a Unit of DCM Nouvelle Ltd.) vs. DHBVN/HVPNL/HERC, has, inter alia, held that DCM Textiles is not liable to bear any proportionate cost towards augmentation of the transformer at the 220 kV IA Hisar Substation.<br>It is respectfully submitted that, pursuant to the demand raised by the utility at the relevant time, DCM Textiles had deposited a sum | DHBVN shall comply with the directions of the Hon'ble APTEL and necessary action for implementation, adjustment, or refund shall be undertaken in accordance with the judgment and applicable regulations.                                                                                                                                                                               |

| Sr. No | Name of Objector                           | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Discom Reply / Comments                                                                                                                                                                                                                  |
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|        |                                            |                        | <p>of ₹52,16,000/- (Rupees Fifty-Two Lakh Sixteen Thousand only) on 20.11.2019, under protest, towards the proportionate cost for augmentation of the transformer at the said substation.</p> <p><b>In view of the Hon'ble APTEL judgment, we request your good office to kindly:</b></p> <ol style="list-style-type: none"> <li>1. Take necessary action for operational implementation of the APTEL judgment dated 13.01.2026.</li> <li>2. Initiate the process for adjustment/refund of the amount of ₹52,16,000/- deposited under protest, in accordance with the Tribunal's directions.</li> <li>3. Coordinate with the concerned offices of DHBVN and HVPNL for compliance, accounting adjustment, and necessary record correction.</li> <li>4. Intimate the nodal officer/contact person for further coordination on this matter.</li> </ol> <p>We request your kind cooperation for early compliance and resolution of the matter in line with the Hon'ble Tribunal's order.</p> |                                                                                                                                                                                                                                          |
| 104.   | <b>Dr. Inderjeet Malik</b>                 | Lajpat Nagar, Hisar    | Suggested that electricity meters should be installed on poles rather than inside locked boxes so that consumers can easily view meter readings and identify faults or discrepancies in billing. Suggested that electricity billing methodology should be revised to reduce the burden of high fixed charges and make billing more transparent and consumption-based                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Slab-based tariff is designed under Section 62(3) for equitable distribution of cost and protection of low-end consumers. Meter-related suggestions are operational in nature and outside ARR scope.                                     |
| 105.   | <b>Kuldeep, Quality Foils (India) Ltd.</b> | Hisar Industrial Area  | Requested modification of Maximum Demand penalty provisions so that penalties are imposed only for the day on which the demand exceeds the sanctioned limit rather than for the entire billing period.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Penalty on exceeding contract demand is a regulatory measure to protect system stability and prevent overloading of infrastructure. It is not revenue-driven but intended as a deterrent. Charging penalty on the day of exceedance is a |



| Sr. No | Name of Objector                                    | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                  | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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|        |                                                     |                        |                                                                                                                                                                                                              | balanced approach and aligns with regulatory provisions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 106.   | <b>Shamsher Singh, AKHIL KISAN Union</b>            | Hisar rural area       | Requested reduction in electricity tariff for domestic consumers as electricity bills have increased and are becoming unaffordable for rural households.                                                     | Tariff determination lies exclusively with the Hon'ble Commission, and the Discom is bound to implement the approved tariff.<br>Other issues raised are outside ARR scope.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 107.   | <b>Sanwarya Infra Project / Fauji Stone Crusher</b> | Khanak                 | Requested reduction in minimum charges for electricity billing cycles and relief in fixed charges applicable to industrial consumers as these charges remain payable even during periods of low consumption. | It is respectfully submitted that minimum charges and fixed charges are part of the approved tariff structure determined by the Hon'ble Commission in accordance with the Electricity Act, 2003 and HERC MYT Regulations. These charges are essential for recovery of fixed costs of the distribution system, including infrastructure, power purchase commitments, O&M expenses, depreciation, and interest, which are incurred irrespective of actual consumption. Even during periods of low consumption, the Discom is required to maintain system readiness and capacity to meet the sanctioned load/contract demand at all times. Accordingly, minimum and fixed charges ensure equitable recovery of such costs and prevent undue burden on other consumers. Therefore, reduction or waiver of such charges is not feasible under the current regulatory framework, and the objection does not warrant any modification in the tariff proposal. |

| Sr. No | Name of Objector                                              | Organization / Address   | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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| 108.   | <b>Ashok Kumar Taneja, Sector-3 Residents Welfare Society</b> | HUDA Sector-3, Fatehabad | vide dated 25.02.2026 निवेदन है कि हुडा सेक्टर-3 फतेहाबाद में 33 KV बिजली घर बना हुआ है जिसकी बिजली 132 KV सब स्टेशन फतेहाबाद से आती है। इस लाइन का रूट लगभग 20 किलोमीटर का है जबकि दोनों बिजली घर फतेहाबाद में ही स्थित हैं। लाइन लंबी होने के कारण इस लाइन में अक्सर फाल्ट रहता है। हुडा एसोसिएशन ने फतेहाबाद के अधिकारियों को भी मांग पत्र दिया था जिस पर कार्यवाही करते हुए अधिकारियों ने इस बिजली घर के लिए छोटे रूट का प्रपोजल बनाकर हिसार P & D कार्यालय में पास होने के लिए भेजा हुआ है। | It is respectfully submitted that the request for approval of a specific project for improvement of electricity supply, including strengthening of feeder infrastructure, is operational and planning-related in nature. Such works are undertaken by the Discom based on detailed technical assessment, load requirements, and system studies, subject to feasibility and availability of funds.<br>The Discom is continuously carrying out system strengthening, augmentation of feeders, and infrastructure upgradation under various schemes to improve reliability and quality of supply. The requirement indicated by the objector has been noted and will be examined by the concerned field office for necessary action as per norms.<br>Accordingly, the issue raised does not fall within the scope of ARR and tariff determination |
| 109.   | <b>Prithvi Singh</b>                                          | Village Khasa / Mahajan  | Suggested that installation of rooftop solar systems should be encouraged and electricity bills should be reduced by properly adjusting solar generation in the billing system.                                                                                                                                                                                                                                                                                                                  | It is respectfully submitted that promotion of rooftop solar systems is being carried out in accordance with the applicable HERC (Rooftop Solar Grid Interactive Systems) Regulations and Government policies. The Discom is facilitating installation of rooftop solar systems and providing necessary support for grid connectivity and net metering.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

| Sr. No | Name of Objector   | Organization / Address     | Main Concern / Issue Raised                                                                                                                        | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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|        |                    |                            |                                                                                                                                                    | With regard to adjustment of solar generation in electricity bills, it is submitted that billing is carried out strictly as per the provisions of the applicable net metering/gross metering regulations, which prescribe the methodology for accounting of energy generated, consumed, and exported to the grid. Any issues related to billing adjustment are operational in nature and are addressed based on meter data and regulatory provisions. Accordingly, the suggestion is already covered under the existing framework and does not warrant any modification in the ARR or tariff proposal.    |
| 110.   | <b>Ashok Kumar</b> | Village Dhani Kundu, Hansi | Requested that tariff slabs and applicable rates should be printed clearly on electricity bills so that consumers can verify billing calculations. | It is respectfully submitted that the suggestion regarding printing of tariff slabs and applicable rates on electricity bills pertains to billing format and consumer information, which is operational in nature and does not fall within the scope of ARR and tariff determination. However, the Discom acknowledges the importance of transparency and consumer awareness. The suggestion has been noted and shall be examined for implementation through system improvements and billing enhancements. Accordingly, the issue raised does not warrant any modification in the ARR or tariff proposal. |

| Sr. No | Name of Objector                              | Organization / Address              | Main Concern / Issue Raised                                                                                                                                             | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| 111.   | <b>Omvati w/o Hoshiair Singh</b>              | Village Niyana, Hisar               | Requested shifting of electricity line passing through agricultural land near a tubewell which causes operational inconvenience and safety concerns.                    | It is respectfully submitted that the issue raised is operational in nature and does not fall within the scope of ARR and tariff determination. The same may be addressed separately through appropriate field offices.                                                                                                                                                                                                                     |
| 112.   | <b>Raman Jain</b>                             | President, small industries Bhiwani | Suggested separation of urban and rural feeders and deployment of dedicated linemen for feeders to reduce breakdown losses and downtime.                                | It is submitted that the issue raised does not pertain to ARR and tariff determination and is required to be addressed separately under the appropriate operational mechanism.                                                                                                                                                                                                                                                              |
| 113.   | <b>JNB Steel Industries Pvt. Ltd.</b>         | Mirzapur Village, Hisar             | Requested reduction in industrial tariff and highlighted voltage drop issues during summer affecting industrial machinery.                                              | Industrial tariff is based on cost of supply and cannot be reduced below cost-reflective levels without creating revenue gap. Cross-subsidy is a statutory requirement. Voltage fluctuations are within permissible limits or influenced by consumer-side factors; consumers are required to maintain power factor and install protective equipment. Solar provisions and operational issues are governed by regulations and SOP standards. |
| 114.   | <b>Representative – Suncity RWA Sector-54</b> | Gurugram                            | Requested DHBVN to take over electrical infrastructure installed by the developer and objected to development charges imposed on residents for transformers and cables. | Takeover of infrastructure is governed by HERC Regulations and is subject to fulfillment of technical requirements and certification. DISCOM cannot take over incomplete or deficient infrastructure. Recovery of development charges is in accordance with Section 46 of the Electricity Act and applicable regulations, and is subject to adjustment/recovery from the developer.                                                         |

| Sr. No | Name of Objector | Organization / Address        | Main Concern / Issue Raised                                                                                                                                        | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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| 115.   | Rajesh           | 36-A Chandu Lal Garden, Hisar | Suggested that domestic tariff categories DS-I to DS-III should remain unchanged as tariff changes may encourage consumers to reduce sanctioned load artificially. | It is respectfully submitted that the categorization of domestic tariff slabs (DS-I to DS-III) is determined by the Hon'ble Commission under Section 62(3) of the Electricity Act, 2003, which permits differentiation of tariff based on load, consumption pattern, and nature of use, with the objective of ensuring equitable distribution of cost and protection of low-end consumers. The existing slab structure is a well-established regulatory mechanism aimed at providing a lifeline tariff to smaller consumers while ensuring recovery of system costs from higher load categories. While the concern regarding artificial reduction of sanctioned load is noted, the same is addressed through provisions of the Supply Code Regulations, including monitoring of Maximum Demand (MDI) and enforcement measures where actual usage exceeds sanctioned load. Accordingly, the existing tariff categorization continues to be governed by regulatory principles and does not warrant modification on the grounds stated. |
| 116.   | Rammehar         | V.P.O. Lodwa Hisar            | Requested to reduce tariff specifically for agriculture sector and to ensure the welfare of farmers.                                                               | It is respectfully submitted that agricultural tariff is determined by the Hon'ble Commission in accordance with the Electricity Act, 2003 and applicable HERC Regulations, keeping in view the policy of the                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

| Sr. No | Name of Objector             | Organization / Address | Main Concern / Issue Raised                                                                                               | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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|        |                              |                        |                                                                                                                           | <p>State Government and overall tariff framework. It is further submitted that the agriculture sector is already highly subsidized and the tariff for such category is significantly lower than the actual cost of supply. Any further reduction in tariff would require corresponding subsidy support from the State Government under Section 65 of the Electricity Act, 2003 to avoid financial burden on the Discom.</p> <p>The Discom continues to support the agriculture sector through various initiatives including feeder strengthening, rural electrification schemes, and promotion of solarization of agricultural pumps to ensure reliable and affordable supply. Accordingly, the request for further reduction in tariff does not warrant modification in the ARR/tariff proposal.</p> |
| 117.   | <b>Dazzling PVC Industry</b> | Chaudharywas, Hisar    | Requested reduction in recently increased fixed charges as these have increased financial burden on industrial consumers. | It is respectfully submitted that fixed charges are determined by the Hon'ble Commission based on ARR and cost-reflective principles. These charges recover fixed costs such as infrastructure, O&M, depreciation, and interest, which are incurred irrespective of consumption. The revision has been necessitated due to accumulated revenue gap and long gap in tariff revision. Reduction is therefore not feasible.                                                                                                                                                                                                                                                                                                                                                                              |
| 118.   | <b>Radheshyam</b>            | Satrod Khas, Hisar     | Highlighted shortage of technical staff in field offices and requested                                                    | It is respectfully submitted that issues relating to availability of technical                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

| Sr. No | Name of Objector                 | Organization / Address | Main Concern / Issue Raised                                                                                                                                                               | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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|        |                                  |                        | strengthening of complaint centres for faster maintenance and service.                                                                                                                    | <p>staff and strengthening of complaint centres are operational and administrative in nature. The Discom continuously reviews manpower deployment and undertakes measures to enhance efficiency, including strengthening of field offices, capacity building of staff, and use of technology for monitoring and service delivery.</p> <p>Further, multiple grievance redressal mechanisms such as centralized call centres, online complaint portals, and mobile applications have been implemented to ensure timely registration and resolution of consumer complaints.</p> <p>The suggestion has been noted and shall be examined for further improvement. However, the issue does not fall within the scope of ARR and tariff determination.</p> |
| 119.   | <b>MCCL Textile Industries</b>   | Sirsa                  | Requested reduction of fixed electricity charges (~₹290/kVA) and revision of industrial tariff. Also requested enabling online payment facility for electricity bills exceeding ₹50 lakh. | <p>It is submitted that fixed charges are essential for recovery of fixed network and capacity costs under the two-part tariff structure. The revision aligns tariff with actual cost structure and ensures financial sustainability.</p> <p>Regarding online payment limits, adequate facilities such as RTGS/NEFT and other digital mechanisms are already available for high-value transactions.</p>                                                                                                                                                                                                                                                                                                                                             |
| 120.   | <b>MGGL Non-Woven Industries</b> | Sirsa                  | Requested reduction in fixed charges, removal of ₹75/kW charge on solar connections above 5 kW, reduction of transmission charges and increase of online                                  | Revision in fixed charges and tariff is cost-reflective and necessary under Section 62 of the Electricity Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

| Sr. No | Name of Objector                                                      | Organization / Address            | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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|        |                                                                       |                                   | payment limit for large electricity bill payments.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Fixed charges for solar consumers ensure recovery of standby capacity costs. Payment system limits have already been enhanced through RTGS/NEFT and digital platforms                                                                                                                                                                                                                                                                                                                                  |
| 121.   | <b>Kunjan Plywood Ind. / Heera Products</b>                           | Dudhwa Road, Dandher, Yamunanagar | Electricity lines (HT/LT) are passing dangerously close to the factory premises at low height, posing safety risks especially during rains/storms. Tree branches cause sparking and interruptions. Requested raising the line height, maintaining proper clearance, or shifting the line to avoid accidents and ensure safe operations.                                                                                                                                                                                                                                                                                                                                  | The comments of the objector pertain to local area issues and have been noted and forwarded to the concerned Operation Wing for resolution. UHBVN has in place an online Grievance Registration System and Consumer Care Centre through which consumers can register complaints. Further, the DISCOMs are committed to provide uninterrupted supply as per norms specified by the Hon'ble Commission. The high score of 9.7/10 on the State Antyodaya Portal reflects the commitment of the DISCOMs    |
| 122.   | <b>Jugal Kishore Haryana Plywood Manufacturers Association (HPMA)</b> | Vill. Kami Majra, Yamunanagar     | Vide dated 02.03.226<br><b>1. Preliminary Submission:</b><br>The Haryana Plywood Manufacturers Association (HPMA) represents the wood-based industrial cluster of Yamuna Nagar, consisting predominantly of Micro and Small Enterprises (SMEs). Electricity accounts for approximately 20% of total production cost in our industry. Tariff design therefore directly impacts competitiveness and sustainability.<br><b>2. Impact of Previous Tariff Rationalization:</b><br>In the previous Tariff Order: Fixed Charges increased from Rs. 170 per kVA to Rs. 295 per kVA (approx. 73% increase). Fuel Surcharge Adjustment (FSA) of approx. Rs. 0.30 per unit imposed. | The issue of excess voltage at night pertains to local conditions and has been forwarded to the concerned Operation Wing. Further, the tariff framework already provides for night-time rebate/concessional tariff to promote off-peak consumption and optimize load utilization. The revision in fixed charges is justified and consistent with regulatory principles. Fixed charges remained unchanged for about seven years, despite increasing input costs. The increase reflects only ~5.49% CAGR |



| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|        |                  |                        | <p>A 500 kVA small industrial unit bears approx. Rs. 62,500 additional monthly burden solely due to fixed charge escalation, irrespective of actual consumption.</p> <p>This disproportionately affects SMEs with moderate plant load factors.</p> <p><b>3. System Efficiency Improvements – Benefit Sharing:</b><br/>It is respectfully submitted that: Transmission &amp; Distribution losses have reduced in recent years. Improved AT&amp;C performance strengthens DISCOM financial health. Further, as per national data (National Power Portal), India's installed renewable capacity has reached approx. 227 GW out of total 514 GW (~44%) as of December 2025.</p> <p>The increasing renewable share is expected to moderate long-term procurement cost and fuel risk exposure. Regulatory principles support equitable sharing of efficiency gains between utilities and consumers.</p> <p><b>4. Tariff Design Concerns:</b><br/>A tariff structure heavily weighted toward fixed charges: Penalizes seasonal industries Reduces consumption-linked incentive Disproportionately burdens small units</p> <p>A balanced recovery between fixed and variable components would better serve industrial growth.</p> <p><b>5. Specific Regulatory Suggestions:</b><br/>HPMA respectfully requests consideration of: Rationalization / moderation of fixed charges. SME-sensitive slab structure based on connected load. Avoiding cumulative escalation of fixed charges and FSA. Introduction of Time-of-Day (ToD) incentive or rebate for night consumption to flatten load curve and improve asset utilization.</p> <p><b>6. Conclusion:</b></p> | <p>over ten years, which is moderate.</p> <p>FPPAS is a statutory mechanism under the Electricity Act, 2003 and HERC MYT Regulations, 2024, allowing recovery of power purchase cost variations. Removing it would violate regulations and affect DISCOM financial viability.</p> <p>Benefits of reduction in AT&amp;C losses have already been passed on to consumers, as no tariff hike was implemented for several years despite rising costs.</p> <p>Fixed charges are necessary to recover fixed costs like O&amp;M, depreciation, and interest. Currently, recovery through fixed charges is minimal compared to total fixed cost, hence rationalization is required.</p> <p>Time-of-Day incentive already exists for night consumption, encouraging efficient utilization of power.</p> |

| Sr. No | Name of Objector                          | Organization / Address  | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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|        |                                           |                         | <p>The Yamuna Nagar wood-based cluster is employment-intensive and contributes significantly to the State economy.</p> <p>A balanced and predictable tariff framework will:</p> <ul style="list-style-type: none"> <li>Sustain employment</li> <li>Protect State revenue</li> <li>Ensure industrial stability</li> <li>Maintain healthy consumer-utility relationship</li> </ul> <p>HPMA respectfully prays for a rational and SME-sensitive tariff determination.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 123.   | <b>Udyog Vyapar Mandal Haryana (UVMH)</b> | Gadar Road, Yamunanagar | <p>Vide dated 02.03.2026 उद्योग व्यापार मंडल हरियाणा सामाजिक संगठन है। समाज की समस्याओं को प्रशासन व सरकार के समक्ष रख कर समाधान हेतु सेवा कार्य करते हैं। व्यापारी वर्ग अर्थव्यवस्था की रीढ़ की हड्डी है। और बिजली विभाग उद्योगों की जान है। व्यापारी वर्ग हमेशा ही व्यवस्था को सुदृढ़ करने में सरकार का सहयोग करते हैं। सरकार को ईमानदारी से समय से राजस्व भी देते हैं। विकसित राष्ट्र बनाने के लिये सरकार के साथ हैं। व्यापारी वर्ग के परिश्रम व समर्पण से हमारा राष्ट्र सोने की चिड़िया कहलाता था। हर घर सम्पन्न होता था। आज का व्यापारी भी समर्पित भाव से राष्ट्र सेवा के लिये समर्पित है। राष्ट्र को जब भी व्यापारी वर्ग से सहयोग की आवश्यकता हुई व्यापारी वर्ग हमेशा सरकार के साथ सेवा के लिये साथ रहता है। हमारे देश के सीमाओं के लिये हमारे सैनिक तत्पर रहते हैं। आर्थिक मोर्चे पर व्यापारी वर्ग सरकार के साथ सहयोग कर विकसित राष्ट्र बनाने हेतु तत्पर है। कोरोना काल में हमारे व्यापारी वर्ग ने समाज के लिये सहयोग अन्तरराष्ट्रीय स्तर पर अपनी सेवाओं से पहचान बना चुके हैं। हमारा हरियाणा बहुत शांत और धार्मिक प्रदेश है। और औद्योगिक क्षेत्र में भी बहुत उन्नति कर रहा है। हमारे हरियाणा के नागरिक धार्मिक व शाकाहार प्रवृत्ति के राष्ट्रवादी जन हैं। और हमेशा सरकार को सहयोग करते हैं। सेना में व खेल जगत में हरियाणावासी हमेशा राष्ट्र सेवा में</p> | <p>The revision in fixed charges is cost-reflective and aligned with regulatory norms. Subsidy provision falls under the jurisdiction of the State Government.</p> <p>Issues related to breakdown and restoration pertain to local operations and have been forwarded to the concerned Operation Wing. Consumers may also use grievance redressal systems.</p> <p>Peak Load Charges are necessary for demand-side management to reduce stress on the grid during peak hours and ensure system stability and optimal utilization of resources.</p> |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Discom Reply / Comments |
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|        |                  |                        | <p>अग्रणी है। जीएसटी राजस्व संग्रहण में भी हमारा हरियाणा का व्यापारी बहुत अधिक सहभागिता करता है।</p> <p>चेयरमैन महोदय जी, व्यापारियों पर जो कानून बनाये जाते हैं। कानून बनाने से पहले व्यापारियों का प्रतिनिधित्व भी लिया जाये। जिससे कानूनों के प्रभाव पर व्यापारियों से मंथन कर कानून बनाये जायें। जिससे व्यापारी वर्ग सरलता से कार्य कर राष्ट्र की अर्थव्यवस्था को गति देने में अपना सहयोग और अधिक कर सकेगा। सरकार व व्यापारी वर्ग में आपसी विश्वास और अधिक प्रबल होगा।</p> <p>1 - उद्योगों के लिये बिजली ही मुख्य यन्त्र होती है। अभी सरकार द्वारा बिजली कनेक्शन पर फिक्स चार्ज की बढ़ा दिया गया था। पहले 165/- pkw होता था जोकि अब 290/- pkw है। जिससे उद्योग पर अचानक से खर्च बढ़ गया है। व्यापारी वर्ग द्वारा महंगे भाव पर सोलर लगाने से होने वाले बिजली की बचत का लाभ भी खर्च खातों में खत्म हो जाती है।</p> <p>आपसे निवेदन है कि बिजली विभाग द्वारा नये फिक्स चार्ज को वापस कर व्यापारियों को राहत दी जाये। स्वदेशी को बढ़ावा हेतु उद्योगों को बिजली विभाग द्वारा बिजली खर्च पर सब्सिडी दी जाये।</p> <p>2 - अचानक से ब्रेक डाउन होने से उद्योग प्रभावित होते हैं। आपसे निवेदन है कि ब्रेक डाउन होने पर लाइन सुचारु करने की समुचित व्यवस्था की जाये।</p> <p>3 - उद्योगों पर लगने वाले पीक लोड चार्ज (PLC) भी हटाने पर विचार करें जो की शाम 6 बजे से 9 बजे तक अतिरिक्त चार्ज लगाया जाता है। जो की उद्योगों पर अतिरिक्त बोझ है। आपसे निवेदन है कि इस विषय पर भी मंथन कर सहयोग किया जाये।</p> <p>माननीय चेयरमैन जी, संवाद जितना मजबूत होगा समस्याएं भी जल्दी समाधान होंगी। आपसे निवेदन है कि व्यापारी वर्ग के विषयों को सहजता से मंथन कर विषयों के समाधान में सरलता होगी। सरकार व</p> |                         |

| Sr. No | Name of Objector                  | Organization / Address   | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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|        |                                   |                          | व्यापारी वर्ग में आपसी विश्वास और अधिक प्रबल होगा।                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 124.   | <b>Ballarpur Industries Ltd.</b>  | Paper Mill, Yamunanagar  | <p>Vide dated 02.03.26 MDI exceeding penalty 25% on total bill.</p> <p>(a) This penalty do not cover following:<br/>How much load exceeded (Load %) For the time duration.<br/>Proper functioning of protection relay.<br/>Why on total bill including fix charges.<br/>If bill is four crore – penalty becomes 1 crore due to load exceeded for 15 minutes in 30 min SIP.</p> <p><b>Suggestion:</b><br/>Penalty should not be on total bill. It should be of that day power consumption.<br/>It should not be 25% fix, it should be related with load % exceeded.<br/>Why M. Tax is on FPPAS and on fix charges?<br/>Consumption should be allowed equal to fix charges and not should be charged, it should be FOC.</p> | <p>DISCOM has already filed a petition before Hon'ble HERC for relaxation in MDI penalty to provide flexibility to industrial consumers.</p> <p>Municipal tax is a statutory levy imposed by municipal bodies and collected by DISCOMs as per legal provisions.</p> <p>Fixed charges and consumption charges are distinct components of tariff and cannot be interchanged.</p>                                                                                                                              |
| 125.   | <b>Gram Panchayat Leda Khadar</b> | Yamunanagar              | Electricity used for public water supply is billed under commercial category leading to high bills. Panchayat has limited funds. Requested conversion to appropriate category (AP/Non-commercial) and relief/adjustment of excess billing to support public services.                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <p>The issue of tariff category pertains to local implementation and has been forwarded to the concerned Operation Wing. Tariff categories are defined in the Tariff Schedule approved by the Hon'ble Commission, and connections are provided accordingly. Consumers may apply for category change through proper channels.</p> <p>The issue of incorrect payment adjustment has been forwarded to the concerned Operation Wing. Consumers can also use the grievance redressal system for resolution.</p> |
| 126.   | <b>M/s Lamba Enterprises</b>      | Tikri Nagar, Yamunanagar | Requested reduction in FSA and rollback of fixed charges (₹165 to ₹290/kW). Highlighted issue that                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | FPPAS is a regulatory mechanism under HERC MYT Regulations, 2024 for                                                                                                                                                                                                                                                                                                                                                                                                                                        |

| Sr. No | Name of Objector                | Organization / Address     | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|        |                                 |                            | fixed charges remain high even after load reduction. Also objected to repeated levy of service connection charges when load is increased again, despite earlier payment.                                                                                                                                                                                                                                                                                                                                                                                                                                                            | recovery of power purchase cost variations and cannot be removed. Fixed charge revision is justified based on cost recovery requirements and regulatory framework. Service connection/augmentation charges are levied as per HERC regulations. A Flexi-load scheme has been filed before Hon'ble HERC allowing limited load changes without additional charges, which will provide relief to consumers.                                                        |
| 127.   | <b>Krishna Panels</b>           | Kunja Sultan, Damla        | Vide dated 02.03.2026<br>On one side our respected PM is inaugurating the thermal Power Plant and on the other hand there is a capping of 500 KW of Solar production. I request you to kindly remove the capping of 500 KW. Please also consider to reduce the increased fixed charges.<br>We are connected through hot line and inspite of that there are innumerable power cuts and break downs. The break downs are not attended in given time period either due to shortage of staff or negligency.<br>New schemes launched by board are not conveyed properly to the consumers.<br>Please look in the above matters seriously. | The cap on net metering ensures grid stability and prevents excessive export of power. Any change requires detailed regulatory assessment by the Commission. Fixed charge revision is justified as per cost-reflective tariff principles. Issues of power cuts and breakdowns have been forwarded to the concerned Operation Wing; grievance mechanisms are available. All schemes and circulars are uploaded on the DISCOM website and properly communicated. |
| 128.   | <b>Unique Energos Pvt. Ltd.</b> | Vill. Dhorang, Yamunanagar | Requested prior intimation (SMS/call) for planned shutdowns. Reported persistent voltage fluctuations in 11 kV supply affecting operations and sought corrective measures.                                                                                                                                                                                                                                                                                                                                                                                                                                                          | The issue of prior outage information has been forwarded to the concerned Operation Wing. DISCOM has a Scheduled Outage Information System for advance intimation. Voltage fluctuation issue pertains to local operations and has been forwarded for resolution.                                                                                                                                                                                               |

| Sr. No | Name of Objector                  | Organization / Address    | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                           |
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|        |                                   |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Consumers may use grievance redressal system; DISCOM is committed to reliable supply.                                                                                                                                                                                                                                                             |
| 129.   | <b>S.S. Wood Products</b>         | Vill. Buriya, Jagadhri    | Reported poor condition of industrial feeder lines and poles leading to frequent faults, wire burning, and interruptions causing losses (~₹8–10 lakh). Requested urgent repair, replacement, and strengthening of infrastructure.                                                                                                                                                                                                                                                     | The issue pertains to local feeder faults and has been forwarded to the concerned Operation Wing. Consumers can register complaints through the grievance redressal system for timely resolution.                                                                                                                                                 |
| 130.   | <b>Anil Garg (Ambala Plywood)</b> | Jagadhri                  | Objected to unjustified increase in fixed charges (₹165 to ₹290/kVA). Highlighted higher per-unit tariff compared to neighboring states. Reported shortage of maintenance staff. Also objected to repeated service connection charges after load changes.                                                                                                                                                                                                                             | Fixed charge revision is justified due to cost-reflective tariff and long gap without revision. Tariff revision is first after several years and remains comparable with other states. Staff shortage is being addressed through ongoing recruitment. Flexi-load scheme has been proposed to provide relief regarding service connection charges. |
| 131.   | <b>Skylark Farms</b>              | Vill. Tajewala, Nainawals | High fixed charges (~₹295/kVA) for farm/horse stable category are excessive. Requested reduction/rationalization to make operations viable.                                                                                                                                                                                                                                                                                                                                           | Fixed charge revision is justified based on inflation, cost recovery requirements, and regulatory framework, ensuring financial sustainability and improved service quality.                                                                                                                                                                      |
| 132.   | <b>Gram Panchayat Shahjadwala</b> | Yamunanagar               | Vide dated 02.03.2026 सविनय निवेदन है कि ग्राम पंचायत शाहजादवाला की लगभग 15 हेक्टेयर भूमि पर एक बाग लगाया गया है, जिसके लिए पूर्व में बिजली विभाग द्वारा 2 ट्यूबवेलों पर स्पेशल (SP) बिजली कनेक्शन लगाए गए थे। स्पेशल (SP) कनेक्शन की दरें अधिक होने के कारण ग्राम पंचायत द्वारा बिजली बिल का नियमित भुगतान करना संभव नहीं हो पा रहा है, क्योंकि पंचायत की आय सीमित है। उक्त बाग पर्यावरण संरक्षण एवं पक्षियों की लुप्त होती प्रजातियों के संरक्षण हेतु लगाया गया है। अतः आपसे विनम्र | Tariff category is governed by the Tariff Schedule approved by the Commission. The issue has been forwarded to the Operation Wing. Consumers may apply for category change through proper channel. Grievance redressal system is available.                                                                                                       |

| Sr. No | Name of Objector                                       | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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|        |                                                        |                        | निवेदन है कि बाग में लगे स्पेशल (SP) बिजली कनेक्शन को कृषि श्रेणी (AP) में परिवर्तित करने की कृपा करें, जिससे ग्राम पंचायत समय पर बिजली बिल जमा कर सके। उक्त कार्य हेतु पंचायत शाहजादवाला आपकी सदा आभारी रहेगी।                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 133.   | <b>Gram Panchayat Bahadurpur</b>                       | Yamunanagar            | Similar issue: orchard (~8 hectares) under SP connection facing high tariff burden. Requested conversion to AP category for affordability.                                                                                                                                 | Tariff category is governed by the Tariff Schedule approved by the Commission. The issue has been forwarded to the Operation Wing. Consumers may apply for category change through proper channel. Grievance redressal system is available.                                                                                                                                                                                                                                                                                                |
| 134.   | <b>Gram Panchayat Begampur</b>                         | Yamunanagar            | Similar issue: orchard (~10 hectares) supplied through SP connection; requested conversion to AP category to reduce financial burden.                                                                                                                                      | Tariff category is governed by the Tariff Schedule approved by the Commission. The issue has been forwarded to the Operation Wing. Consumers may apply for category change through proper channel. Grievance redressal system is available.                                                                                                                                                                                                                                                                                                |
| 135.   | <b>HSI IDC Manakpur Industrial Welfare Association</b> | Manakpur               | Requested rollback of increased fixed charges hurting industries. Reported outdated infrastructure needing urgent modernization. Highlighted absence of SDO and lack of maintenance staff in Chhachhrauli subdivision; requested dedicated field staff for regular upkeep. | The revision in fixed charges approved by the Hon'ble HERC for FY 2025-26 is rational and aligned with cost-reflective tariff principles. The fixed charges had remained unchanged for a considerable period despite continuous increase in power purchase cost, transmission charges, and O&M expenses, resulting in under-recovery of fixed costs. The present revision aims to gradually align fixed charges with actual system costs and ensure financial sustainability of the DISCOMs. The issues regarding outdated infrastructure, |

| Sr. No | Name of Objector     | Organization / Address       | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                 | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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|        |                      |                              |                                                                                                                                                                                                                                                                                                                                                                                                                                             | absence of SDO, and shortage of maintenance staff pertain to local operational matters and have been noted and forwarded to the concerned Operation Wing for necessary action. Further, the DISCOM is undertaking recruitment and system strengthening measures in a phased manner to improve reliability and maintenance of the distribution network.                                                                                                                                  |
| 136.   | <b>Subhash Chand</b> | VPO Devghar , Yamunanagar    | Complained about weak/damaged poles and wires causing frequent breakdowns and interruptions. Requested strengthening/replacement of poles and improved maintenance.                                                                                                                                                                                                                                                                         | The issue regarding weak/damaged poles and wires pertains to local operational matters and has been noted and forwarded to the concerned Operation Wing for necessary inspection and corrective action. Further, UHBVN is undertaking regular maintenance and strengthening of distribution infrastructure to improve reliability of supply. Consumers may also register their complaints through the online Grievance Redressal System and Consumer Care Centre for timely resolution. |
| 137.   | <b>S.C. Malhotra</b> | 13, Harbanspura, Yamunanagar | Vide dated 02.03.2026<br><b>Sub.: Public Grievances on charges of Electricity Bills.</b><br>Please take into consideration the following grievances of the residents of Haryana State:<br>1. <b>Bills may be monthly based</b> – This will make availability of more money with Deptt. every month and residents will find it easy to deposit the bill every month.<br>2. <b>Fix Charges</b> – Make Connection wise, Not Kwh wise – Now fix | Monthly billing is being implemented where smart meters are installed. Around 5 lakh smart meters have already been installed in 18 subdivisions, and further rollout is in progress. Monthly billing will be implemented in a phased manner. Fixed charges are based on sanctioned load because infrastructure                                                                                                                                                                         |



| Sr. No | Name of Objector            | Organization / Address   | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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|        |                             |                          | <p>charges are <b>charged</b> Rs. 50×5 kwh = 250 each month and 75×5 = 375 every month. For two months it comes to 500 to 750 additional. Please make it – one connection-one amount and not as per kwh.</p> <p>3. <b>Fuel Charge</b> – Residents get <b>electricity</b> at fix rates. Then why the fuel charges are charged from residents. In market seller/buyer pay/charge on product price only. So remove this charges.</p> <p>4. Showing Big Loss by Deptt. – When each and every user does not pay bill, the Deptt. comes in loss in any financial year. Amount must be recovered from Industry, Hospital, Shops, Govt. Deptts etc. This will decrease the annual loss to the Deptt.</p> <p>5. Same Rate be charged – When Board fixes per unit rate to be charged from a resident after the purchase rate, then why there are different slabs for different categories. Everyone should be charged same rate. There should be no disparity among users.</p> <p>6. Meters in street to be fixed outside every Home – The meters are fixed on poles in streets, away from houses. They are getting damaged by moving traffic or otherwise. Residents are made responsible for wrong readings and fined. Please make SOP for meters to be installed, removed, tested and report given to residents.</p> <p>7. Security Deposits – Crores of rupees amount of the residents is kept by Deptt. This may be returned and adjusted in future bills.</p> <p>I hope, your goodself shall consider these grievances and relieve the residents.</p> | <p>(transformers, feeders, substations) is designed to meet the sanctioned demand. Charging per connection may lead to under-recovery and cross-subsidization.</p> <p>FPPAS is a statutory mechanism under Electricity Act, 2003 and HERC MYT Regulations, 2024 for recovery of power purchase cost variations. Removing it would violate regulations and affect financial viability.</p> <p>DISCOM is taking steps to reduce losses through recovery drives, monitoring dues, and enforcement actions.</p> <p>Tariff differentiation is permitted under Section 62 of Electricity Act, 2003 and is based on load, usage, and category; uniform tariff is not feasible.</p> <p>Installation of meters outside premises is justified to prevent theft, ensure transparency, and enable easy access for maintenance and inspection.</p> <p>Security deposit is governed by HERC regulations and maintained as financial safeguard equivalent to billing cycle exposure.</p> |
| 138.   | <b>Sardari Lal Malhotra</b> | Harbanspura, Yamunanagar | Suggested monthly billing instead of bi-monthly; fixed charges should                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Monthly billing is being implemented in areas                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                     | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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|        |                  |                        | be connection-based not kWh-based; fuel surcharge should be removed; losses should be recovered from defaulters not regular consumers; uniform tariff across categories; proper SOP for meter installation/testing; and refund/adjustment of security deposits. | <p>where smart meters have been installed, and the rollout of smart meters is under progress in a phased manner. Upon completion, billing will be shifted to a monthly basis. Fixed charges are levied based on sanctioned/contract demand as the distribution infrastructure (transformers, feeders, substations, etc.) is designed and maintained to meet the sanctioned load of the consumer. Levying fixed charges on a connection basis may lead to under-recovery of fixed costs and cross-subsidization.</p> <p>Fuel and Power Purchase Surcharge Adjustment (FPPAS) is a statutory mechanism governed under the Electricity Act, 2003 and HERC MYT Regulations, 2024, which enables recovery of variation in power purchase cost due to factors beyond the control of DISCOMs. Hence, it cannot be removed.</p> <p>The DISCOM is undertaking continuous efforts for recovery of dues from defaulting consumers through monitoring, notices, and enforcement actions to reduce losses and improve financial health. Tariff determination, including differentiation across consumer categories, is within the jurisdiction of the Hon'ble Commission under the Electricity Act, 2003 and is based on cost-reflective principles; therefore, a</p> |

| Sr. No | Name of Objector           | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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|        |                            |                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | uniform tariff across all categories is not feasible. Installation of meters outside consumer premises is done to ensure transparency, ease of access for meter reading and inspection, and to prevent theft. Standard Operating Procedures (SOPs) for installation, testing, and maintenance of meters are already in place. Security deposit is governed by the provisions of HERC regulations and is maintained as a financial safeguard equivalent to the billing cycle; adjustment/refund is carried out as per applicable regulations.                                              |
| 139.   | Satpal Kaushik<br>(Farmer) | Yamunanagar            | Vide dated 02.03.2026 निवेदन है कि हरियाणा में बिजली निगम की गलत प्रबंधन के कारण जहां प्रतिवर्ष करोड़ों रुपए का नुकसान निगम को होता है, वहीं पर उपभोक्ताओं को भी भारी समस्याओं का सामना करना पड़ता है, जिसका मुख्य कारण है बिजली का वितरण सही न होना। हरियाणा में अक्सर देखा जाता है कि लाइन लॉसेस अधिक होने के कारण निगम को नुकसान होता है और नुकसान होने के बाद उसका असर उपभोक्ता को भुगतना पड़ता है क्योंकि अब हरियाणा में बिजली चोरी तो नाममात्र के बराबर है, लेकिन उसके उपरांत भी जितनी बिजली विभाग खरीदता है या पैदा करता है, वह काफी मात्रा में बेकार चली जाती है। इसका मुख्य कारण बिजली का वितरण सही न होना है। इसमें मुख्य दो कारण हैं— एक तो अनावश्यक परमिट और दूसरा ब्रेकडाउन। जब परमिट या ब्रेकडाउन ले लिया जाता है तो बिजली उतनी ही बेकार चली जाती है क्योंकि डिमांड के अनुसार विभाग बिजली की खरीद कर लेता है, | Consumers are charged only for normative distribution losses approved by the Commission. Losses have significantly reduced from 33.88% (FY 2015-16) to ~9.12% (FY 2025-26), and benefits have been passed to consumers. Breakdown issues pertain to local area and have been forwarded to the concerned Operation Wing. Long feeders in rural areas are due to geographical and technical constraints; however, DISCOM is undertaking feeder strengthening, augmentation, and new substations to improve reliability. Shutdowns during crossing of feeders are necessary safety measures. |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Discom Reply / Comments                                                                                                                                                                                                  |
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|        |                  |                        | <p>लेकिन जब ब्रेकडाउन या परमिट हो जाता है तो प्रबंधन की हुई बिजली व्यर्थ हो जाती है। इसलिए वितरण प्रणाली में सुधार की बहुत आवश्यकता है। यदि वितरण प्रणाली सही हो तो निगम को व उपभोक्ताओं को काफी लाभ हो सकता है। बिजली के रेट सस्ते हो सकते हैं। जरूरी है कि बिजली खरीद में पारदर्शिता होनी चाहिए क्योंकि यदि पारदर्शिता नहीं होगी तो बिजली खरीद में शक बना रहेगा और भ्रष्टाचार भी पनपेगा और उपभोक्ताओं को काफी नुकसान होगा। यदि सुधार नहीं किए गए तो इसका सारा भार उपभोक्ताओं पर पड़ेगा। एच.ई.आर.सी. विभाग उपभोक्ताओं के हितों के लिए बनाया गया है, इसलिए मेरी विनती है कि वितरण प्रणाली में सुधार करना चाहिए, अन्यथा इसी तरह से विभाग उपभोक्ताओं को महंगी बिजली देता रहेगा। विशेषकर यमुनानगर जिला में कृषि के क्षेत्र में बिजली वितरण में बहुत दिक्कतों का सामना किसानों को करना पड़ता है क्योंकि यहां पर 55 किलोमीटर से अधिक लंबी-लंबी लाइनों के द्वारा किसानों को बिजली वितरण की जा रही है और यह जिला एगोफॉरेस्ट्री का है अर्थात यहां अपने खेतों में पॉपलर सफेदा की खेती करते हैं। इसलिए विशेषकर कृषि क्षेत्र को दी जाने वाली लाइनों को सड़क व रास्तों के साथ किया जाना विभाग व जनहित में होगा। एक फीडर के ऊपर से दूसरा फीडर निकलता है तो दुर्घटना से बचने के लिए सारे फीडरों को बंद कर दिया जाता है, जिससे किसान की सिंचाई भी प्रभावित होती है। दूसरी ओर किसानों को रात को 8:00 बजे से लेकर सुबह 4:00 बजे तक बिजली दी जाती है सिंचाई के लिए। यह भी एक बहुत ही गलत प्रणाली है क्योंकि रात को सिंचाई करना मुश्किल ही नहीं असंभव है। कृपया किसानों को यदि दिन में बिजली दी जाए तो इससे विभाग को करोड़ों रुपए का लाभ होगा क्योंकि एक तो पानी थोड़ा लगेगा अर्थात केवल कम समय में ज्यादा सिंचाई करेगा और जब ज्यादा सिंचाई करेगा तो</p> | DISCOM is shifting agricultural load to daytime/off-peak hours to optimize solar power utilization and grid stability. Measures include substation augmentation, feeder reconfiguration, and daytime operation planning. |

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|        |                                         |                        | <p>किसान को जो कम रेट पर बिजली दी जाती है वह भी कम खर्च होगी और किसान को लाभ होगा।</p> <p>इसलिए दिन में बिजली दी जानी चाहिए और 33 के.वी. के छोटे-छोटे एरिया में सब स्टेशन लगाने चाहिए क्योंकि यमुनानगर में किसान पॉपलर सफेदा की खेती बहुत करता है, इसलिए बिजली के वितरण में लंबी-लंबी लाइनें होने के कारण अधिक समय तक ब्रेकडाउन रहती है।</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 140.   | <b>Stone Crusher Owners Association</b> | Yamunanagar            | <p>Vide dated 02.03.2026</p> <p>The applicants are stone crusher and screening plant owners located in District Yamunanagar, Haryana. The applicants are operating their units on the basis of commercial electricity connections issued by Uttar Haryana Bijli Vitran Nigam Limited (UHBVNL).</p> <p>There are two components to the electricity charges levied by UHBVNL:</p> <p>(i) fixed charges and</p> <p>(ii) actual consumption charges.</p> <p>It is the common grievance of all the applicants that the fixed charges presently levied should not be imposed, and only actual consumption charges should be recovered. At the time of obtaining the electricity connection, substantial security deposits are furnished, and all installation and equipment-related charges are duly paid to UHBVNL. Therefore, there appears to be no justifiable basis for continued levy of fixed charges irrespective of consumption.</p> <p>Furthermore, stone crushers and screening plants operate under the regulatory supervision of multiple authorities, including the Mining Department and the State Pollution Control Board. Due to environmental regulations, inspections, or other compliance-related issues, units are often compelled to remain non-operational for extended periods. Despite there being no actual</p> | <p>Fixed charge revision is justified as it reflects cost-recovery requirements and aligns with regulatory framework. The increase represents moderate CAGR (~5.49%) and follows a long period without revision.</p> <p>Fixed charges cannot be linked to actual consumption because infrastructure is developed based on sanctioned load. Charging based on consumption would result in under-recovery and cross-subsidization.</p> |

| Sr. No | Name of Objector                           | Organization / Address            | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Discom Reply / Comments                                                                                                                                                                                                                              |
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|        |                                            |                                   | consumption of electricity during such periods, fixed charges continue to be levied in the electricity bills.<br>This results in severe financial hardship and unwarranted harassment. In several instances, non-payment of such fixed charges has led to coercive measures, including disconnection of electricity supply, thereby aggravating the operational and financial difficulties of the units.<br>In view of the above facts and circumstances, it is most respectfully prayed that the fixed charges presently levied on stone crushers and screening plants may kindly be withdrawn, and only actual consumption charges be levied in the electricity bills. Alternatively, the fixed charges may be replaced with reasonable minimum charges, as was applicable earlier. |                                                                                                                                                                                                                                                      |
| 141.   | <b>Chattar Singh</b>                       | Sector-17, Jagadhri               | Requested agricultural tubewell connection for farming (~15 acres). Currently forced to take commercial connection due to area classification, resulting in very high tariff (~₹10/unit). Requested conversion to agriculture category.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | The issue of providing AP connection pertains to local operational matters and has been forwarded to the concerned Operation Wing. The issue does not fall under the scope of ARR for FY 2026-27.                                                    |
| 142.   | <b>Sanjeev Choudhary &amp; Amit Bansal</b> | Villages Majri Tapu & Ghodo Pipli | Electricity supply line is very long (30–35 km) causing frequent faults and delays (2–3 days) in repairs. Suggested rerouting via shorter path (~5–6 km) across Yamuna river to improve reliability and reduce maintenance burden.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | The issue regarding electricity supply line pertains to the local area and has been forwarded to the concerned Operation Wing for resolution. UHBVN has an online grievance registration system and Consumer Care Centre for addressing such issues. |
| 143.   | <b>Vijai Vir Singh Raghawa</b>             |                                   | It has been informed that HERC is going to increase traffic which I think will be unjustified as it was increased wef April 25, 2025. Increase in tariff would be unjustified based on calculating the accurate cost of service.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | At the outset, it is respectfully submitted that tariff determination is undertaken in accordance with the provisions of the Electricity Act, 2003 and                                                                                               |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                      | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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|        |                  |                        |                                                                                                                                                                                                                                  | <p>the applicable Tariff Regulations, read with the National Tariff Policy, which mandate that tariffs be progressively cost-reflective and based on approved and prudent costs.</p> <p>It is respectfully submitted that carry-forward of unrecovered revenue gap effectively results in creation of a Regulatory Asset for subsequent years, which is not aligned with the intent of the Electricity (Amendment) Rules, 2024 and also adversely affects the financial sustainability of the Distribution Licensee, including its Integrated Rating and ability to secure borrowings at competitive interest rates. It is further submitted that the tariff revision was necessitated on account of the substantial revenue gap accumulated due to absence of tariff revision over the preceding years. Accordingly, alignment of tariff with approved costs was essential to maintain cost-reflective rates for the ensuing tariff period. Therefore, in view of the above, it is respectfully submitted that any tariff revision is undertaken strictly within the statutory and regulatory framework to ensure cost-reflective pricing and long-term sector sustainability.</p> |
| 144.   | Ashish Khanna    |                        | <p>The petition presented by DHBVN is fundamentally flawed and unjustified:</p> <ul style="list-style-type: none"> <li>- The claimed revenue gap of INR 5261.23 crore for FY 2024-25 is being carried forward without</li> </ul> | <p>At the outset, it is respectfully submitted that the Aggregate Revenue Requirement (ARR) and the revenue gap for FY 2024-25 have</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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|        |                  |                        | <p>transparent justification or accountability.</p> <p>- The petition completely ignores recovery from defaulters, which currently amounts to approximately INR 8500 crore. This omission is unacceptable. Recovery of these dues must be prioritized before burdening honest, paying consumers.</p> <p>- Public notices regarding this matter were inadequately publicized, undermining the principle of fair public participation. Citizens were deprived of timely information. It is unjust and inequitable to impose the burden of DHBVN's inefficiency on sincere domestic consumers. The Commission must reject this petition and prevent an unwarranted tariff hike.</p> | <p>been computed strictly in accordance with the provisions of the Electricity Act, 2003 and the HERC (Terms and Conditions for Determination of Tariff under Multi Year Tariff Framework) Regulations. The ARR is based on prudently incurred costs and regulatory norms, and not on assumptions relating to non-recovery from individual consumers.</p> <p>It is respectfully clarified that the MYT framework does not treat outstanding consumer dues (debtors) as admissible cost elements in ARR. The regulatory methodology does not permit inclusion of unrecovered receivables as pass-through expenditure. Tariff determination is based on approved cost heads such as power purchase cost, employee expenses, R&amp;M expenses, depreciation, interest, return on equity, etc., and not on the mere existence of outstanding dues.</p> <p>Further, under the MYT Regulations governing Interest on Working Capital, the normative working capital requirement is computed based on revenue actually realised / expected to be realised as per regulatory norms, and not on total billed revenue or accumulated debtors. Accordingly, the ARR does not factor outstanding dues as recoverable cost; rather, the financial</p> |



| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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|        |                  |                        |                             | <p>carrying cost is computed strictly in line with the regulatory prescription. It is submitted that the outstanding dues referred to by the objector represent billed but unrealised revenue, recovery of which is a separate operational exercise governed by the applicable provisions of the Electricity Act, 2003 and the Electricity Supply Code. Such dues do not automatically offset the revenue gap in a tariff computation framework, as tariff is determined based on cost-to-serve principles under Sections 61 and 62 of the Electricity Act, 2003, and not on gross debtor balances. It is further submitted that recovery action against defaulters is an ongoing operational matter undertaken in accordance with statutory provisions. However, the existence of outstanding dues does not alter the regulatory computation of ARR, which is driven by approved costs and normative parameters. With regard to the allegation that tariff proposal is not cost-reflective, it is respectfully submitted that the Electricity Act, 2003 mandates tariff determination based on cost of supply and regulatory principles, and the ARR petition placed before the Hon'ble Commission is based on audited data, actual expenditures, and projections prepared in</p> |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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|        |                  |                        |                             | <p>accordance with the MYT Regulations. The revenue gap reflected therein arises from the differential between approved costs and realisable revenue under the prevailing tariff structure, and not from inclusion of unrecovered debtors.</p> <p>It is therefore respectfully submitted that:</p> <p>The ARR does not contain or include outstanding debtors as cost components;</p> <p>Working capital has been computed strictly as per regulatory prescription;</p> <p>Outstanding dues, while operationally significant, do not substitute for tariff-based revenue determination under the MYT framework.</p> <p>It is further respectfully submitted that DHBVN has duly issued public notices within seven days of filing the ARR for the respective years, in widely prevalent languages, namely Hindi and English, in accordance with the applicable regulatory provisions. Copies of such public notices have been duly submitted before the Hon'ble Commission along with each filing.</p> <p>It is also submitted that the Hon'ble Commission independently issues public notices in relation to the public hearing process, ensuring broader stakeholder participation. Accordingly, DHBVN has ensured timely and full compliance with the prescribed requirements</p> |

| Sr. No | Name of Objector      | Organization / Address | Main Concern / Issue Raised                                                               | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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|        |                       |                        |                                                                                           | regarding publication of public notices.<br>Accordingly, the objections raised on this ground do not affect the regulatory computation of ARR and may be considered in the above statutory context.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 145.   | Suresh Gupta, Panipat | Panipat                | G.O. switches in poor condition and Wires are installed at lower height                   | The comments of the objectors pertain to the local area, the same have been noted and forwarded to the concerned operations Wing for its resolution.<br>This is to submit that DISCOMs have Online Grievance Redressal mechanism wherein the consumers can register their complaint and the DISCOMs are committed to provide timely resolution of the same.<br>Further, UHBVN has in place Scheduled Outage Information System wherein the consumers are informed well in advance for any scheduled outage/planned shutdown.<br>Further, this is to submit that the DISCOMs are committed to provide uninterrupted services to the consumers as per norms specified by the Hon'ble Commission. High score in State's Antyodaya Portal, i.e., 9.7/10 (as on Jan 2026) is reflection of the commitment of the DISCOMs in providing uninterrupted, regular power supply to the consumers. |
| 146.   | Karmbir               | Hisar                  | हरियाणा सरकार की सौर ऊर्जा (सोलर) योजना के अंतर्गत मिलने वाली सब्सिडी समय पर प्राप्त नहीं | At the outset, it is submitted that the concerned point is not related to ARR.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

| Sr. No | Name of Objector                   | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                      | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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|        |                                    |                        | हो रही है। इसके अतिरिक्त, सोलर पैनल लगने के बाद जो टैरिफ लागू होता है, वह वित्तीय वर्ष के अनुसार सही ढंग से काम नहीं कर रहा है। कृपया सोलर योजना की बिलिंग तकनीक में सुधार किया जाए और ग्राहकों को सोलर सब्सिडी समय पर प्रदान करने का कष्ट करें। |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 147.   | <b>Amarjeet</b>                    | Hisar                  | हमारे गांव में ट्यूबवैल लाइन पर की ढाणियां कृषि फिडर से चलती है, उन्हें घरेलू फीडर से जोड़ा जाए ताकि ताकि बच्चों की पढाई व आवश्यक बिजली संबंधित काम सुचारु रूप हो सके।                                                                           | At the outset, it is respectfully submitted that the current suggestion does not fall under the purview of the ARR matter, and is accordingly required to be addressed separately.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 148.   | <b>Jindal Industries Pvt. Ltd.</b> | Hisar                  | <ul style="list-style-type: none"> <li>Fixed Charges to be reduced to relief the consumer</li> <li>FSA should be removed.</li> </ul>                                                                                                             | <ul style="list-style-type: none"> <li>At the outset, it is respectfully submitted that tariff determination is undertaken in accordance with the provisions of the Electricity Act, 2003 and the applicable Tariff Regulations, read with the National Tariff Policy, which mandate that tariffs be progressively cost-reflective and based on approved and prudent costs.</li> </ul> <p>It is respectfully submitted that continued carry-forward of unrecovered revenue gap effectively results in creation of a Regulatory Asset for subsequent years, which is not aligned with the intent of the Electricity (Amendment) Rules, 2024 and also adversely affects the financial sustainability of the Distribution Licensee, including its Integrated Rating and ability to secure</p> |

| Sr. No | Name of Objector | Organization / Address | Main Concern / Issue Raised | Discom Reply / Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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|        |                  |                        |                             | <p>borrowings at competitive interest rates.</p> <p>It is further submitted that the tariff revision was necessitated on account of the substantial revenue gap accumulated due to absence of tariff revision over the preceding years. Accordingly, alignment of tariff with approved costs was essential to maintain cost-reflective rates for the ensuing tariff period. DHBVN continues to undertake sustained efforts to improve operational efficiency and quality of supply, and the impact of such measures is expected to be reflected progressively in the upcoming period.</p> <ul style="list-style-type: none"> <li>At the outset, it is respectfully submitted that the ARR and Tariff Petition proceedings and the Fuel Surcharge Adjustment (FSA) proceedings are distinct mechanisms envisaged under the Electricity Act, 2003, the relevant Electricity Rules, and the applicable HERC MYT Regulations.</li> </ul> <p>FSA is designed as a separate and periodic adjustment mechanism to account for variations in power purchase cost and transmission cost, so as to avoid accumulation of large unrecovered amounts and the resultant carrying cost burden in the true-up process. It enables timely pass-through of such variations in accordance with the</p> |

| Sr. No | Name of Objector       | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                         | Discom Reply / Comments                                                                                                                                                                                                                              |
|--------|------------------------|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        |                        |                        |                                                                                                                                                                                                                                                                                                                                                                                                                     | prescribed regulatory framework. Accordingly, the FSA proceedings are undertaken independently and strictly as per the provisions of the HERC MYT Regulations, and form part of the established statutory mechanism governing tariff administration. |
| 149.   | <b>Mandeep Raja</b>    | Hisar                  | मेरा निवेदन यह है कि सरकार सोलर सिस्टम को बढ़ावा देने की कोशिश कर रही है, लेकिन उसकी सब्सिडी हरियाणा सरकार को एक साल से नहीं मिली है और यह सिस्टम बिना सब्सिडी के बहुत महंगा पड़ रहा है। इसकी एक समस्या यह भी है कि जब सोलर सिस्टम लेते हैं, उस समय जो आय (Income) होती है उसके आधार पर लाभ मिल जाता है, परन्तु बाद में कई कारणों से यदि आय बढ़ जाए तो सब्सिडी नहीं मिल रही है। कृपया इस सिस्टम पर थोड़ा ध्यान दें। | At the outset, it is respectfully submitted that the current suggestion does not fall under the purview of the ARR matter, and is accordingly required to be addressed separately                                                                    |
| 150.   | <b>Satbir Singh</b>    | Hisar                  | सोलर की जो स्कीम है उसमें सब्सिडी हरियाणा सरकार को समय पर नहीं मिलती है और सोलर लगाने के बाद जो टैरिफ है, वह फाइनेंशियल साल पर सही से नहीं लगते। कृपया करके सोलर सिस्टम की बिलिंग ठीक करने का कष्ट करें।                                                                                                                                                                                                            | At the outset, it is respectfully submitted that the current suggestion does not fall under the purview of the ARR matter, and is accordingly required to be addressed separately.                                                                   |
| 151.   | <b>Krishan Chander</b> | Hisar                  | हमारे बिजली विभाग ने जो वाह में मदद को है उसके लिए इम दक्षिण हरियाणा बिजली निगम के अाभारी है। बार गरस्त होते हुए भौ विजली कर्मचारियों ने घरे समलाई उपलब्ध करताहे वे हमारा जल-भराव का जल्द से जल्द खत्म किया उसके                                                                                                                                                                                                    | DHBVN submits that it remains committed to continuing the same level of dedication, responsiveness, and responsibility in providing reliable and quality electricity services to all consumers.                                                      |

| Sr. No | Name of Objector     | Organization / Address | Main Concern / Issue Raised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Discom Reply / Comments                                                                                                                                                           |
|--------|----------------------|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        |                      |                        | विर रम किजली विभाग के आभारी है।                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                   |
| 152.   | Santosh/Satyaprakash | Hisar                  | <p>सविनय निवेदन है कि मैं G-9, राजीव दरबार (Raj Darbar) Global Space, सेक्टर-2, हिसार का निवासी हूँ। मेरे घर में हाल ही में बिजली बोर्ड के कर्मचारियों द्वारा गलत मीटर रीडिंग दर्ज कर दी गई, जिसके कारण मेरा बिजली बिल ₹49701/- आ गया है।</p> <p>जबकि वास्तविक खपत इतनी अधिक नहीं है। पिछले 37 दिनों में 3113 यूनिट की खपत दिखाई गई है, जो कि एक सामान्य घरेलू कनेक्शन (5 KW लोड) के लिए संभव नहीं है। यह स्पष्ट रूप से गलत रीडिंग/गणना का परिणाम है।</p> <p>अतः आपसे निवेदन है कि मेरे बिल की जांच कराई जाए तथा गलत रूप से बढ़ी हुई राशि को संशोधित कर उचित बिल जारी किया जाए। साथ ही अतिरिक्त राशि को Reimburse करने की कृपा करें।</p> <p>कृपया इस मामले में शीघ्र कार्यवाही करने की कृपा करें।</p> | At the outset, it is respectfully submitted that the current suggestion does not fall under the purview of the ARR matter, and is accordingly required to be addressed separately |