BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION AT PANCHKULA

Case No. HERC/P. No. 17 of 2026
Date of Hearing : 09/07/2026
Date of Order : 22 /07/2026

IN THE MATTER OF:
Petition under Section 43 and 181 of the Electricity Act, 2003 read with Regulation 9 to 11 the HERC (Duty to supply electricity on request, Power to recover expenditure incurred in providing supply and Power to require security) Regulations, 2016 and Regulation 11 & 12 of the HERC (Single Point Supply to Employers 'Colonies, Group Housing Societies and Residential or Residential-cum-Commercial/ Commercial Complexes of Developers and Industrial Estates/ IT parks/SEZ) Regulations, 2020 seeking relaxation, requisite directions/ clarifications for removal of difficulty which has arisen in the implementation of the provisions relating to the installation of Reference Meter in view the peculiar nature of the plotted residential colony being developed by the Petitioner.

Petitioner

Model Economic Township Limited, 77-B, 3rd Floor, IFFCO Road, Sector 18, Gurugram – 122 015, Haryana, India.

VERSUS

Respondent:

Uttar Haryana Bijli Vitran Nigam, Plot No. P-3&4, Vidut Sadan, Sector-14, Panchkula through its Managing Director.

Present

On behalf of the Petitioner

1. Sh. Sudhir Jain, AR
2. Sh. Ankit, EIC
3. Ms. Vidushi & Deipa Singh, Advocate
4. Sh. Chetan Mittal, Sr. Advocate
5. Sh. Mayank Aggarwal, Advocate.

On behalf of the Respondent

1. Sh. Raghujeet Singh Madan, Advocate
2. Ms. Aerika Singh, Advocate
3. Sh. Lovepreet Singh, Advocate
4. Sh. Rakesh Dahiya, AEE, UHBVN
5. Sh. Jitender Kumar, AE, UHBVN
6. Sh. Deepak Kumar, JE

QUORUM

Shri Nand Lal Sharma, Chairman
Shri Mukesh Garg, Member
Shri Shiv Kumar, Member

ORDER

1. **Petition:**

1.1 That the present petition is being preferred by Model Economic Township Limited (hereinafter “Petitioner”) under Regulation 9 to 11 the HERC (Duty to supply electricity on request, Power to recover expenditure incurred in providing supply and Power to require security) Regulations, 2016 (hereinafter "Regulations, 2016")and Regulation 11 & 12 of the HERC (Single Point Supply to Employers’ Colonies, Group Housing Societies and Residential or Residential cum Commercial/ Commercial Complexes of Developers and Industrial Estates/ IT parks/SEZ) Regulations, 2020 ("Regulations, 2020") seeking relaxation, requisite clarifications/ directions/ removal of difficulty which has arisen in the implementation of the certain provisions of Regulations, 2016 & Regulations, 2020 in view the peculiar nature of the plotted residential colony being developed by the Petitioner.

1.2 That, the present petition is being filed through Mr. Ankit Kaushik, currently working as Head, Electrical, who has been duly authorized to institute and initiate the present proceedings by special power of attorney dated 19th February, 2026, given by Shri Shrivallabh Goyal, Whole Time Director, who is vested with the powers of the Board vide its resolution dated 18th May, 2015.Copies of special power of attorney dated 19thFebruary, 2025 and Board resolution dated 18thMay, 2015areenclosed with the present petition.

DESCRIPTION OF THE PARTIES

1.3 That the Petitioner, is a company registered under the Companies Act, 1956having its registered office at 3rd Floor, 77B, Sector 18, IFFCO Road, Gurugram - 122 015, Haryana. The Petitioner-company was incorporated in October, 2006 as "Reliance Haryana SEZ Limited" and its name was later changed to "Model Economic Township Limited" inFebruary,2015.The Petitioner, at present, is a wholly owned subsidiary of Reliance Ventures Limited which, in turn, is a wholly owned subsidiary of Reliance Industries Limited.

1.4 That Respondent, Uttar Haryana Bijli Vitran Nigam Limited (hereinafter “UHBVN”), is a distribution licensee under the Electricity Act, 2003 (hereinafter "Act, 2003") who has been granted license by this Hon’ble Commission. UHBVN is a government of Haryana undertaking which undertakes the Distribution and Retail Supply Business in the northern parts of Haryana. The districts of Panchkula, Ambala, Yamunanagar, Kurukhsetra, Kaithal, Karnal, Panipat, Sonepat, Rohtak and Jhajjar lie within its jurisdiction.

CONSPECTUS OF THE PRESENT PETITION:

1.5 The present case pertains to plotted residential colonies forming a part of the “Model Economic Township,” a fully integrated licensed industrial township being developed by the Petitioner. The Township is spread over an extensive area of approximately 2,059 acres in District Jhajjar, Haryana.

The Electrification Plan for the Township has already been duly approved and in accordance with the approved Electrification Plan, the Petitioner has already established the necessary electrical infrastructure to supply power to the plotted colony, including residential colonies, with two double circuit transmission lines from Badana and Bahadurgarh (under construction), a 220/33 kV substation and 33/11 kV substations in various sectors.

The said transmission line, sub-stations, along with the associated infrastructure, have been duly handed over by the Petitioner to the Respondent-UHBVN. Since such handover, the entire infrastructure is being exclusively operated and maintained by Respondent-UHBVN, without any interference or involvement of the Petitioner.

1.6 That, before proceeding to enumerate the difficulties being faced by the Petitioner, the relevant provisions of the Regulations are re-produced below for the ready reference of the Hon'ble Commission:

A. Relevant provision of the HERC (Duty to supply electricity on request, Power to recover expenditure incurred in providing supply and Power to require security) Regulations, 2016:

"3.9 Single Point Supply

The Employers seeking new electricity connections for their Colonies which are bounded with walls, have restricted entry, having 20(twenty) or more residential units and irrespective of connected load shall be given Single Point Supply by the distribution licensee at 11kV or higher voltage, depending upon the feasibility, for making electricity available to the employees residing in the Colony and for common services/ non-domestic loads. Distribution of electricity within the Colony shall be owned and managed by the Employer.

All Group Housing Societies (GHSs) seeking new electricity connections which are bounded with walls, have restricted entry, having 20 (twenty) or more residential units and irrespective of connected load shall have the following two options for supply of electricity by the distribution licensee to the GHS.

Option-1: Supply of electricity at a Single Point to the GHS at 11 kV or higher voltage depending upon the feasibility under Bulk Supply(Domestic) schedule of tariff.

Option-2: Individual electricity connections to the residents/members and for common services/Non Domestic Supply loads under relevant schedules of tariff. A reference meter shall be installed by the distribution licensee at its cost at the incoming supply point of the GHS. The total energy consumption of the electricity recorded at the incoming supply point of the GHS as per reference meter (say 'A') shall be compared with the total electricity consumption of all the residents/members residing in the GHS as per their individual meter readings plus the consumption for the common services/other nondomestic loads as per readings of relevant meters (say 'B') for each billing cycle. An energy difference of up to 4%, in case of supply up to11 kV, and up to 5%, in case of supply at higher voltage, between 'A' and

'B', to be worked out as {(A-B) x 100}/A, shall be permissible towards transformation and /or LT losses. In case the difference in energy consumption as above for any billing cycle works out to be higher than 4% / 5%, it will be presumed to be on account of unwarranted/unauthorized use of electricity within the GHS and the GHS/ Developer/Residents Welfare Association shall be liable to pay for the difference in energy consumption over and above 4%/5% at the rate of energy charges as applicable for the highest slab under Domestic Supply category.

All the terms and conditions as specified in the Haryana Electricity Regulatory Commission (Single Point Supply to Employers' Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers) Regulations, 2013 shall be applicable.

However, subject to the conditions mentioned in the 1st amendment to the Haryana Electricity Regulatory Commission (Single Point Supply to Employers' Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers) Regulations,2013, Regulations, issued vide Notification dated 14th October, 2014,these Single Point Supply Regulations shall not apply to the electricity consumers of Employers' Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers who opt for availing electricity supply through pre-payment meter.

The term 'Group Housing Society' for the purpose of above Regulation shall mean a residential complex owned/managed by a Co-operative Group Housing Society registered with the Registrar Co-operative Societies, Haryana or the Societies registered under Societies Act,1860 and for the sake of brevity the definition includes residential or residential cum commercial complex developed by a Developer and approved by an appropriate authority."

A copy of the Regulations, 2016 alongwith its subsequent amendments is annexed

B. Relevant provision of the HERC (Single Point Supply to Employers' Colonies, Group Housing Societies and Residential or Residential cum Commercial/ Commercial Complexes of Developers and Industrial Estates/ IT parks/SEZ) Regulations, 2020

"2. Definitions

In these Regulations, unless the context otherwise requires:

… …

(3) "Colony" means an area of land divided or proposed to be divided into plots or flats of residential, commercial, industrial, cyber city or cyber park purposes or for construction of flats in the form of group housing or for the construction of integrated commercial complexes or for the division into plots for low-density eco-friendly colony.

… … …

4. Supply of electricity by the distribution licensee to the Group Housing Societies (GHSs)

... ...

4.3 In case the GHS opts for release of individual electricity connections by the distribution licensee to its residents/members and for common services/NDS load, if any, as per clause 4.1 (b), the GHS will be obliged to furnish an undertaking to the distribution licensee, in the Form enclosed as Annexure-1, and shall give their acceptance to the conditions laid down as per Annexure -1

(a) The Distribution Licensee shall provide and install a single reference meter at the incoming supply point at its own cost to measure consumption of electricity of the loads within the GHS.

(b) The readings of reference meter and all individual meters within the GHS shall be taken on the same day for each billing cycle by the distribution licensee in the presence of the security guard or a representative of the GHS. [emphasis laid]

(c) The total energy consumption of the electricity recorded at the incoming supply point of the GHS as per reference meter shall be compared with summation of the electricity consumption of all the members residing in the GHS as per their individual meter readings and the consumption for the common services /other non-domestic loads as per readings of relevant meters for each billing cycle. An energy difference of 4%, in case of supply up to 11 kV, and 5%, in case of supply at higher voltage, shall be permissible towards transformation and distribution losses. In case the difference in energy consumption as above for any billing cycle works out to be more than 4%/5% as the case may be, the GHS shall be liable to pay for the difference in energy consumption over and above 4%/5% at the rate of energy charges as applicable for the highest slab under Bulk Supply (DS) category.

(d) The distribution licensee shall raise bill for the energy difference for each billing period on the GHS and the same shall be payable by the GHS. If payment is not made within the due date, late payment surcharge, as applicable, shall be leviable. In case of non-payment of the bill for the energy difference for two consecutive billing cycles, supply to GHS may be disconnected from the single point energy meter (reference meter). The supply will be restored only after clearance of the dues for energy difference along with the surcharge and applicable reconnection charges.

4.4 After receipt of undertaking as above from the GHS, the distribution licensee shall release individual electricity connection to the residents/members and for the common services under DS category and NDS load, if any, under NDS category. A reference meter shall be installed by the distribution licensee at the incoming supply point of the GHS.

... ..."

A copy of the Regulations, 2020 is annexed

1.7 That a perusal of the above shows that earlier two options had been given earlier to the Developer regarding opting for multi-point or single point connection. It is pertinent to mention here that the 2nd and 3rd Amendment to the Regulations, 2016 have withdrawn the option of

Single Point Connection from DisCOm's and instead a scheme of multiple points with reference meter was notified.

1.8 That a perusal of the aforesaid Regulations reveal that, in case where a Developer opts for a multi-point connections i.e. individual connections to be released to the residents, in such a scenario, a 'Reference Meter' is liable to be installed at the incoming point. The aforesaid Regulations also stipulate that in case of energy difference of total energy consumption of the electricity recorded at the incoming supply point as per reference meter and the total electricity consumption of all the residents/members residing as per their individual meter, comes out to be more than 4%, the difference in energy consumption over and above 4% shall be paid at the rate of energy charges as applicable for the highest slab under Domestic Supply category.

1.9 That the objective behind the aforesaid Regulations mandating installation of a Reference Meter is to prevent unauthorised use of electricity by residents, particularly in situations where the Respondent-Discom does not exercise control over the internal electrical infrastructure of a colony. However, it is the case of the Petitioner hereinthat the plotted residential colony being developed by the Petitioner is peculiar in nature. The colony is not enclosed by any boundary wall, nor is access restricted in any manner. There is free and continuous ingress and egress, including by persons residing outside the colony who use the internal roads as a passage to access their own land situated within the larger development area. In effect, the present arrangement is akin to individual residential houses that are not part of a gated or controlled colony. In such circumstances, the requirement of installation of a Reference Meter does not arise.

1.10 That, it is pertinent to mention here that the Petitioner had made a representation to the Respondent to this effect before the Respondent, however, the representation of the Petitioner stands rejected by the Respondent without going into merits of the case vide Memo dated 06.10.2025, wherein the Respondent has stated as follows:

"In this connection, it is intimated that the reference meter billing for residential and group housing areas are being undertaken as per the provisions of HERC Regulations and Nigam instructions and same is being followed for all developers and is a policy matter."

A copy of the Respondents Memo No. Ch-35/SE/Mon/Elecl.Plan/ 386/JJR/2024-25 dated 06.10.2025 is annexed. A perusal of the same shows the order is mechanical in nature that does not disclose any reasons, findings, or analysis in support of the conclusions reached therein. It is settled law that an order which does not record reasons or demonstrate consideration of the material before the authority cannot be regarded as a “speaking order.” The Petitioner ought to have been afforded a reasonable and meaningful opportunity of being heard before the passing of any adverse order. Only thereafter, upon due consideration of the Petitioner’s submissions, should a reasoned and speaking order have been passed.

1.11 That, the Petitioner had earlier raised its grievance before this Hon'ble Commission in HERC/Petition No. 29 of 2025, wherein liberty was granted to the Petitioner to file a separate petition for redressed of its grievance. A copy of final order dated 16.01.2026 passed by the Hon'ble Commission is HERC/ Petition No. 29 of 2025 is annexed, the relevant part of which is reproduced below:

"The Commission finds that the contention of the METL is not directly related to the issue under discussion in present petition. These submissions fall outside the scope of the present proceedings; hence the comments are not considered in this proceeding. However, METL is at liberty to file separate petition for their contention."

1.12 That, in view of the liberty granted by this Hon'ble Commission, the present petition is being filed by the Petitioner on the following amongst other GROUNDS:

A. BECAUSE the Township being developed by the Petitioner is largely plotted colony with industrial, residential and commercial plots. There are lot of Panchayat rastas and dhana (water course) within the Township. In addition, as per regulations of the Department of Town &Country Planning, the Petitioners have provided two *karam rasta* (access), where there is no Panchayat rasta. All the projects/phases are not bounded by boundary wall and do not have restricted entry. As such, there is continuous entry/exit of people living outside plotted colony and having their land inside our development as a thoroughfare.

Further, the regulations prescribe that, in case the difference in energy consumption any billing cycle works out to be higher than 4% / 5%, it will be presumed to be on account of unwarranted/unauthorized use of electricity within the Colony and the Developer has been made liable to pay charges for such presumed unauthorised use. However, yet again, the case of the Petitioner is peculiar ithas already constructed the requisite electrical infrastructure for feeding the plotted residential colony including a 220/33KV sub-station & 33/11 KV substations in various sectors as per approved electrification plan and the same has been duly handed over to the Respondent. Further, the distribution infrastructure installed by the Petitioner is completely underground which makes the distribution losses minimal in nature. All meters have been installed by the Respondent and the maintenance of the same is also under the control of the Respondent. The infrastructure is being operated and maintained by Respondent exclusively with no interference of whatsoever nature by the Petitioner. As such, the case of the Petitioner cannot be equated with a gated colony having restricted access, and the Regulations applicable to a gated colony cannot be *ipso-facto* be made applicable to the colony developed by the Petitioner herein.

B. BECAUSE, the obligation imposed upon the Petitioner to install a reference meter and/or to bear charges for any difference alleged to be on account of "unauthorized use" runs contrary to the underlying object and purpose of the Regulations. Attention is this regard, is brought towards the "*Statement of Objects and Reasons*" of the

Haryana Electricity Regulatory Commission (Single Point Supply to Employers' Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers) Regulations, 2013(hereinafter "Regulations, 2013"), reproduced below for ready reference:

"A number of Group Housing Societies (GHSs) and Residential/Residential cum Commercial Complexes (RCs) developed by various Developers have come up in various cities of Haryana. These GHSs/RCs are normally bounded with walls and have restricted entry through security gates manned by security personnel. Most of the Societies/RCs have their exclusive distribution network i.e. Step-down Transformers, HT/LT Cables, Service cables etc. within their premises. While some of such Societies/RCs have Single Point Supply under Bulk Supply (Domestic) category but in most of the cases, the residents have individual electricity connections/meters installed by distribution licensees.

Similarly a number of Central/State Govt. departments/undertakings as also some industrial houses/companies/corporations (Employer) have their own Residential Colonies or Office cum Residential Complexes for their employees which are also generally bounded with walls/fence with restricted entry through security gates manned by security personnel. The employees residing in such colonies have also individual electricity connections/meters installed by distribution licensees but the electrical infrastructure in such colonies is mostly provided by the distribution licensee.

As per feedback with the Commission, the officers/officials of the distribution licensees do not have free/unhindered access to the premises of the residents of these GHSs/Colonies/Complexes because of restricted entry through security gates manned by security personnel. In the absence of free/unhindered access to the premises of the residents, the officers/officials of the distribution licensee cannot effectively take the steps required for reduction in commercial losses. This leads to increase in commercial losses of the Distribution Licensees and ultimately affects the interests of honest electricity consumers as they have to pay higher tariff. Simultaneously there are frequent complaints from the residents regarding harassment at the hands of employees of the distribution licensees in connection with meter reading, billing and payment of bills.

In this context, it was felt that the State Commission should take appropriate steps to address this issue for protecting/safeguarding interests of the consumers as it is one of the prime duties of the Commission especially when it is vested with powers under Section 61 (d) of the Act to take requisite measures and to specify such terms & conditions as may be necessary to safeguard consumers' interest.

... ..."

It is further pertinent to mention that the Regulations, 2020 were subsequently enacted upon noticing certain practical difficulties faced by residents and to address gaps in the earlier Regulations, 2013. However, the Regulations, 2020 were also framed with the same underlying objective of addressing issues arising in gated societies and similarly restricted premises. In this regard, attention is invited to the headnote of the Regulations, 2020, which reads as under:

"Regulation No. HERC/49/2020:-

The Haryana Electricity Regulatory Commission in exercise of powers conferred on it by Section 61(d) and Section 181 of the Electricity Act, 2003 and all other powers enabling it in this behalf hereby makes the following Regulations laying down the provisions/procedures for supply of electricity at a Single Point to the Employers Colonies, Group Housing Societies and Residential or Residential cum Commercial/ Commercial Complexes of Developers and Industrial Estates/IT parks/ SEZ which are bounded with walls/fence or having restricted entry, for further supply of electricity to the members/employees and other services/establishments inside their premises by the GHS/Employer/Developer/Industrial Estate/ IT parks /SEZ."

A bare reading of the aforesaid makes it abundantly clear that the regulatory framework was conceived specifically for colonies and complexes that are enclosed, gated, and subject to restricted entry, where distribution licensees do not enjoy free and unhindered access to consumers. The Petitioner's development does not fall within such a category. In these circumstances, the mischief sought to be addressed by the Regulations, namely, the lack of access and consequential commercial losses on account of the unauthorised use, does not arise in the present case. Consequently, the provisions relating to installation of a reference meter and levy of charges on account of presumed "unauthorized use" are wholly inapplicable to the Petitioner, cannot be mechanically invoked and are liable to be relaxed.

C. BECAUSE the difference in energy consumption over and above 4% i.e. difference of total energy consumption of the electricity recorded at the incoming supply point as per reference meter and the total electricity consumption of multiple meters of all the residents/members residing as per their individual meter, is liable to be paid while stating the same to be on account of unauthorised use. However, attention in this regard, is brought towards the definition of "unauthorised use of electricity" as defined under the Explanation (b) appended to Section 126 of the Act, 2003, reproduced below:

"(b) "unauthorised use of electricity" means the usage of electricity-

(i) by any artificial means; or

(ii) by a means not authorised by the concerned person or authority or licensee; or

(iii) through a tampered meter; or

(iv) for the purpose other than for which the usage of electricity was authorised; or

(v) for the premises or areas other than those for which the supply of electricity was authorized."]

It is the case of the Petitioner herein that such presumption is legally unsustainable and contrary to the statutory framework under the Act, 2003. It is respectfully submitted that in order to fasten any liability upon the Petitioner on the ground of “unauthorised use,” there must necessarily be a demonstrable and positive act of illegality, such as artificial abstraction of electricity, tampering of meters, misuse for an unauthorised purpose, diversion of supply to unauthorised premises, or usage through unauthorised means.The statutory provision does not envisage, nor does it bring within its scope, a mere mathematical variation or technical loss between two metering points, particularly in a situation where the entire electrical infrastructure is under the exclusive operation and control of the Respondent.

D. BECAUSE the Petitioner has developed best-in-class infrastructure, including all underground electrical distribution network, robust electrical systems, and has invested substantial sums to ensure uninterrupted power supply to industrial units as well as residents within the Township. It is respectfully submitted that the issue in question can be effectively addressed through installation of pre-paid meters. The Petitioner undertakes to extend full cooperation and logistical support to the Respondent for installation of such pre-paid meters within the Township. In these circumstances, the Petitioner prays that this Hon’ble Commission may be pleased to issue appropriate directions to the Respondent-UHBVN to initiate installation of smart pre-paid meters in the Township, which comprises purely plotted development, where such installation can be implemented expeditiously and without practical difficulty.

It is further submitted that the First Amendment to the Regulations, 2013, being Regulation No. HERC/27/2014 dated 14.10.2014, expressly provided that:*“These Regulations shall not apply to the electricity consumers of Employers’ Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers, who opt for availing electricity supply through pre- paid meter”*.Despite the passage of more than eleven years since the said amendment, the Respondent-DisCom have failed to operationalise the installation of pre-paid meters. As a consequence, the Petitionerisbeing saddled with liability for variations exceeding the 4% permissible limit. The Petitioner cannot be penalised for inaction attributable solely to the Respondent.Accordingly, the Petitioner is entitled to appropriate relaxation, particularly when the non-installation of pre-paid meters is not on account of any default, omission, or delay on the part of the Petitioner.

E. BECAUSE the Regulations, 2020 prescribed that- *"(b) The readings of reference meter and all individual meters within the GHS shall be taken on the same day for each billing cycle by the distribution licensee in the presence of the security guard or a representative of the GHS."* It is humbly submitted that the Township being developed by the Petitioner has around 3000 plots. It is not operationally possible o take the meter reading of the all the individual meter and the reference meter on the *"Same day"* as mandated by the Regulations, 2020. As such, the difference of reading would come on the sole ground that reading has not been taken on the same day. No penalty is liable to be imposed in view of the factual on-ground realty that the readings are not being taken on the same day.

1.13 That in view of the above, it evident that the case of the Petitioner being the developer of a plotted colony stands on an entirely different footing from that of a GHS, where a Reference Meter is installed primarily for energy audit purposes owing to the absence of effective control of the Respondent- Distribution Licensee over the internal electrical infrastructure within the colony.

1.14 That the Regulations detailed hereinabove, cannot be *ipso facto* be made applicable to the peculiar case of the Petitioner herein.

1.15 That the Hon'ble Commission has ample power to relax/ remove difficulties and pass the requisite order in terms of Regulation 9 to 11 the Regulations, 2016, Regulation 11 & 12 of the Regulations, 2020 read with Regulations 65 to 68 of the HERC (Conduct of Business Regulations), 2019.

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

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

1.18 That the present petition is bonafide and in the interest of justice

PRAYER

In light of the submissions made herein, it is most respectfully prayed that the Hon'ble Commission may kindly be pleased to:

A. Clarify and declare that the provisions relating to installation of reference meters, namely Regulation 4.3 of the Regulations, 2020 and Regulation 3.9 of the HERC Regulations, 2016, are not applicable to the plotted colonies being developed by the Petitioner, considering their peculiar nature i.e. same are not enclosed by a boundary wall and do not have restricted entry or exit points;

IN THE ALTERNATIVE:

Relax and/or remove the difficulty that has arisen in the implementation of Regulation 4.3 of the HERC Regulations, 2020 and Regulation 3.9 of the HERC Regulations, 2016, in the peculiar facts and circumstances of the present case; AND

B. Hold and declare that no penalty/ chargesare payable by the Petitioner for any variation in energy consumption, as such variation, cannot be construed as unauthorized use of electricity on the part of the Petitioner; AND

C. IN THE INTERIM, pending adjudication of the present Petition, the Hon'ble Commission may kindly direct the Respondent-UHBVN not to raise or enforce any demand against the Petitioner towards alleged excess consumption;

D. Pass such other and further order(s) as this Hon'ble Commission may deem fit and proper in the facts and circumstances of the present case.

AND FOR THIS ACT OF KINDNESS AND JUSTICE THE PETITIONER SHALL AS IN DUTY BOUND EVER PRAY.

2. The case was heard on 16/04/2026, Ms. Aerika Singh counsel for the respondent requested for four (4) weeks' time to file the reply. Ms. Deipa Singh counsel for the petitioner submitted that IA 09 of 2026 has been filed for early hearing of the case which has been accepted and as an interim relief the demand raised by the respondent vide notice dated 02/03/2026 may be stayed till the outcome of the main petition. To the query of the Commission, the petitioners apprised that no amount in this regard has been paid to the respondents. Sh. Rajesh Arora SE, UHBVNL intimated that multipoint connections have been provided in the project. The individual connections in residential area have been provided with reference meter in term of the regulations in vogue. Ms. Deipa Singh counsel for the petitioner also submitted that the township is not a GHS. The distribution system has been created in line with EP already approved and handed over to DISCOM. Acceding to the request of the respondent, the Commission adjourns the matter and directs the respondent to file its reply within two (2) weeks with advance copy to petitioner.
3. The case was heard on 19/05/2026, Sh. Raghujeet Singh Madan counsel for the respondent submitted the reply. Ms. Deipa Singh counsel for the petitioner requested for time to file the rejoinder. Acceding to the request of the petitioner, the Commission adjourns the matter and directs the petitioner to file rejoinder within two weeks with advance copy to respondent.
4. **Reply of respondents received on 19/05/2026:**

4.1 That the present reply is being filed through Rajesh Arora, presently working as SE/ Monitoring, Uttar Haryana Bijli Vitran Nigam Limited ("UHBVN"), who is competent to file the present reply as well as fully conversant with the facts and circumstances of the case on the basis of knowledge derived from the record, on behalf of Respondents.
All submissions are made in the alternative and without prejudice to each other. All allegations made by the Petitioner are denied in totality and the same may be treated as a denial as if it was made in seriatim. Nothing submitted herein shall be deemed to be admitted unless the same has been admitted thereto specifically.

PRELIMINARY SUBMISSIONS/ OBJECTIONS:

4.2 That the present petition has been filed by the Petitioner seeking requisite relaxation, clarifications, directions and/or removal of difficulty stated to have arisen in the implementation of Regulation 3.9 of the HERC (Duty to Supply Electricity on Request, Power to Recover Expenditure Incurred in Providing Supply and Power to Require Security) Regulations, 2016 (hereinafter "Regulations, 2016") and Regulation 4.3 of the HERC (Single Point Supply to Employers' Colonies, Group Housing Societies and Residential or Residential cum

Commercial/ Commercial Complexes of Developers and Industrial Estates/ IT parks/ SEZ) Regulations, 2020 ("Regulations, 2020").

The Petitioner has alleged that the provisions relating to installation of reference meters in terms of Regulation 4.3 of the Regulations, 2020 and Regulation 3.9 of the Regulations, 2016 is not applicable for the plotted colony being developed by the Petitioner in view of the colony's peculiar nature i.e. the same is not enclosed by boundary wall and do not have restricted entry or exit points.

RELIEF BEING SOUGHT BY THE PETITIONER IS CONTRARY TO THE MADATORY PROVISIONS OF LAW:

4.3 That, at the outset it is submitted that the case of the Petitioner is squarely covered by the binding Regulation of the Hon'ble Commission, which are reproduced below for ready reference:

Regulations, 2016:

"3.9 Single Point Supply

The Employers seeking new electricity connections for their Colonies which are bounded with walls, have restricted entry, having 20(twenty) or more residential units and irrespective of connected load shall be given Single Point Supply by the distribution licensee at 11kV or higher voltage, depending upon the feasibility, for making electricity available to the employees residing in the Colony and for common services/ non-domestic loads. Distribution of electricity within the Colony shall be owned and managed by the Employer.

All Group Housing Societies (GHSs) seeking new electricity connections which are bounded with walls, have restricted entry, having 20 (twenty) or more residential units and irrespective of connected load shall have the following two options for supply of electricity by the distribution licensee to the GHS.

Option-1: Supply of electricity at a Single Point to the GHS at 11 kV orhigher voltage depending upon the feasibility under Bulk Supply(Domestic) schedule of tariff.

Option-2: Individual electricity connections to the residents/members and for common services/Non Domestic Supply loads under relevant schedules of tariff. A reference meter shall be installed by the distribution licensee at its cost at the incoming supply point of the GHS. The total energy consumption of the electricity recorded at the incoming supply point of the GHS as per reference meter (say 'A') shall be compared with the total electricity consumption of all the residents/members residing in the GHS as per their individual meter readings plus the consumption for the common services/other nondomestic loads as per readings of relevant meters (say 'B') for each billing cycle. An energy difference of up to 4%, in case of supply up to11 kV, and up to 5%, in case of supply at higher voltage, between 'A' and 'B', to be worked out as {(A-B) x 100}/A, shall be permissible towards transformation and /or LT losses. In case the difference in energy consumption as above for any billing cycle works out to be higher than 4% / 5%, it will be presumed to be on account of unwarranted/unauthorized use of electricity within the GHS and the GHS/ Developer/Residents Welfare Association shall be liable to pay *for the difference in energy consumption over and above 4%/5% at the rate of energy charges as applicable for the highest slab under Domestic Supply category.*

All the terms and conditions as specified in the Haryana Electricity Regulatory Commission (Single Point Supply to Employers' Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers) Regulations, 2013 shall be applicable.

However, subject to the conditions mentioned in the 1st amendment to the Haryana Electricity Regulatory Commission (Single Point Supply to Employers' Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers) Regulations,2013, Regulations, issued vide Notification dated 14th October, 2014, these Single Point Supply Regulations shall not apply to the electricity consumers of Employers' Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers who opt for availing electricity supply through pre-payment meter.

The term 'Group Housing Society' for the purpose of above Regulation shall mean a residential complex owned/managed by a Co-operative Group Housing Society registered with the Registrar Co-operative Societies, Haryana or the Societies registered under Societies Act,1860 and for the sake of brevity the definition includes residential or residential cum commercial complex developed by a Developer and approved by an appropriate authority."

Regulations, 2020

"2. Definitions

In these Regulations, unless the context otherwise requires:

... ...

(3) "Colony" means an area of land divided or proposed to be divided into plots or flats of residential, commercial, industrial, cyber city or cyber park purposes or for construction of flats in the form of group housing or for the construction of integrated commercial complexes or for the division into plots for low-density eco-friendly colony.

... ...

4. Supply of electricity by the distribution licensee to the Group Housing Societies (GHSs)

... ...

4.3 In case the GHS opts for release of individual electricity connections by the distribution licensee to its residents/members and for common services/NDS load, if any, as per clause 4.1 (b), the GHS will be obliged to furnish an undertaking to the distribution licensee, in the Form enclosed as Annexure-1, and shall give their acceptance to the conditions laid down as per Annexure -1

(a) The Distribution Licensee shall provide and install a single reference meter at the incoming supply point at its own cost to measure consumption of electricity of the loads within the GHS.

(b) The readings of reference meter and all individual meters within the GHS shall be taken on the same day for each billing cycle by the distribution licensee in the presence of the security guard or a representative of the GHS. [emphasis laid]
(c) The total energy consumption of the electricity recorded at the incoming supply point of the GHS as per reference meter shall be compared with summation of the electricity consumption of all the members residing in the GHS as per their individual meter readings and the consumption for the common services / other non-domestic loads as per readings of relevant meters for each billing cycle. An energy difference of 4%, in case of supply up to 11 kV, and 5%, in case of supply at higher voltage, shall be permissible towards transformation and distribution losses. In case the difference in energy consumption as above for any billing cycle works out to be more than 4%/ 5% as the case may be, the GHS shall be liable to pay for the difference in energy consumption over and above 4%/ 5% at the rate of energy charges as applicable for the highest slab under Bulk Supply (DS) category.
(d) The distribution licensee shall raise bill for the energy difference for each billing period on the GHS and the same shall be payable by the GHS. If payment is not made within the due date, late payment surcharge, as applicable, shall be leviable. In case of non-payment of the bill for the energy difference for two consecutive billing cycles, supply to GHS may be disconnected from the single point energy meter (reference meter). The supply will be restored only after clearance of the dues for energy difference along with the surcharge and applicable reconnection charges.
4.4 After receipt of undertaking as above from the GHS, the distribution licensee shall release individual electricity connection to the residents/ members and for the common services under DS category and NDS load, if any, under NDS category. A reference meter shall be installed by the distribution licensee at the incoming supply point of the GHS.
… … …"

4.4 That the only contention raised by the Petitioner is that the plotted being developed by the Petitioner is not "bounded by wall" or has "restricted entry", which is a pre-condition for the applicability of the aforementioned Regulations. However, in this regard, it is submitted that such a contention raised by the Petitioner is false, incorrect and misleading in nature. Attention in this regard is brought towards the photographs of the plotted colony in question annexed. A bare perusal of the photographs clearly evince that the plotted colony being developed by the Petitioner is a bounded and gated colony. There is no free ingress-egress to the colony in question. As such, the Regulations in vogue are squarely applicable to facts of the present case.

4.5 That a plain reading of Regulation 4.3 of the Regulations, 2020 makes it clear that the Reference Meter obligation applies to every developer who has opted for individual electricity connections for its residents. The Regulation does not carve out any exception for colonies that are allegedly "open" or do not have a boundary wall. It is submitted that a planned township with laid-out internal roads, numbered and demarcated plots, and security arrangements, as the Petitioner's colony admittedly is, clearly qualifies and the Regulations are squarely applicable.

4.6 That further, insofar as the submission of the Petitioner that the meter reading cannot be taken on the "same day" as mandated under Regulation 4.3(b) of the Regulations, 2020, is concerned, it is submitted that the Petitioner has failed to place on record any documents/ bills etc. to show that the reading of the individual electricity meters and reference meters has been taken on separate days. Such, a contention raised by the Petitioner is based on mere presumptions and assumptions, without any actual proof on record.

THE PETITIONER HAS LONG BEEN AWARE OF ITS LIABILITY TO PAY THE CHARGES ARISING FROM ENERGY DIFFERENCE EXCEEDING THE PERMISSIBLE 4% LIMIT AND IS ESTOPPED FROM FILING THE PRESENT PETITION:

4.7 That even otherwise, the Petitioner had, on its own opted for Option-2 under Regulation 3.9 of the Regulations, 2016, which provides for installation of reference meter. It is the case of the Answering Respondent that admittedly, the individual electricity connections have been released to the residents/members of the plotted colony under Option-2 of Regulation 3.9 of the Regulations, 2016. The Petitioner itself exercised its right to elect and opted for Option-2, which mandates the installation of a Reference Meter at the incoming supply point. Having made this election voluntarily and having availed the benefit of individual connections thereunder, the Petitioner is estopped from now contending that the obligations under Option-2, including the Reference Meter requirement, do not apply to it.

4.8 That it is further submitted that had the Petitioner's concern been genuine regulatory difficulty, it would have approached this Hon'ble Commission at the time of opting for Option-2 or at the commencement of operations. The Petitioner has been aware of the Reference Meter regime and the 4% threshold for several years. The present Petition, filed only when significant financial liability has accrued, evinces that the same is nothing but an attempt to escape a known financial obligation.

FINANCIAL DIFFICULTY FACED BY THE PETITIONER CANNOT BE A GROUND FOR INVOCATION OF THE POWER TO REMOVE DIFFICULTIES:

4.9 That a bare perusal of the Petition makes it evident that the Petitioner's real and dominant grievance is financial, it seeks to avoid payment of charges arising from the energy difference exceeding the permissible 4% limit. Further, a perusal of the headnote of the petition reveals that the Petitioner has approached this Hon'ble Commission seeking *"relaxation, requisite directions/ clarifications or removal of difficulty"*. It is respectfully submitted that no such difficulty has arisen in implementing the Regulations, under which the applicable charges are liable to be recovered. The only impediment cited is the

Petitioner's own financial difficulty, which cannot be construed as a difficulty in giving effect to the provisions themselves. Attention in this regard is brought towards the judgment dated 30.01.2019 passed by the Ld. CERC in Petition No. 267/MP/2017 titled *Tamil Nadu Generation and Distribution Corporation Ltd. Vs. NLC India Limited & Ors.* wherein the Ld. CERC, while referring to the judgments passed by the Hon'ble Apex Court as well as Hon'ble APTEL, has observed as under:

"2. The petitioner in its plea has submitted that it has been under financial stress due to the unscheduled infirm power injection by non-conventional energy sources in the State of Tamil Nadu and has filed this petition seeking relief under following grounds … … …

… … …

29. It is the settled law that the power to remove difficulties is conferred upon the Commission to remove difficulties in implementation of provisions of a Regulation and does not include the power to amend the Regulations. In addition to above, the said power to remove difficulty can be exercised to the extent necessary only for giving effect to a particular Regulation. The Tribunal in its judgment dated 25.3.2011 in Appeal No.130 of 2009 (RGPPL V CERC & ors) had held that the power to remove difficulties is to be exercised when there is difficulty in effecting the Regulations and not when difficulty is caused due to application of the Regulations. In M.U.Sinai Vs Union of India (1975) 2 SCR 640, the Supreme Court had held as under:-

"The existence or arising of a difficulty is the sine qua non for the exercise of power. If this condition precedent is not satisfied as an objective fact, the power under this clause cannot be invoked at all. Again, the "difficulty" contemplated by the clause must be a difficulty arising in giving effect to the provisions of the Act and not a difficulty arising all under, or an extraneous difficulty. Further, the Central Government can exercise the power under the clause only to the extent it is necessary for applying or giving effect to the Act etc., and no further. It may slightly tinker with the Act to round off angularities, and smoothen the joints or remove minor obscurities to make it workable, but it cannot change, disfigure or do violence to the basic structure and primary features of the Act. In no case, can it, under the guise of removing a difficulty change the scheme and essential provisions of the Act."

(Emphasis Supplied)

Similarly, the Hon'ble Supreme Court of India, in *M.U. Sinai vs. Union of India*, [(1975) 2 SCR 640], had definitively held that:

"The existence or arising of a difficulty is the sine qua non for the exercise of power. If this condition precedent is not satisfied as an objective fact, the power under this clause cannot be invoked at all. Again, the difficulty contemplated by the clause must be a difficulty arising in giving effect to the provisions of the Act and not a difficulty arising all under, or an extraneous difficulty. In no case, can it, under

the guise of removing a difficulty change the scheme and essential provisions of the Act."

4.10 That it is humbly submitted that the Regulations cannot be amended on the mere asking of an effected party. That it is further submitted a procedure which is at variance with any of the provisions of Act/Rules/Regulations cannot be adopted with the sole intent of giving benefit to a particular person. Reliance in this regard is placed on the order dated 26.06.2019 passed in Petition no. 13 of 2018 filed by *Haryana Chamber of Commerce and Industries, Panipat* whereby the request regarding relaxation/ amendment of Regulations was rejected by the Hon'ble Commission while holding as under:

"The Petitioner has primarily raised a challenge to ibid Regulations under the garb of seeking relaxation thereto. Any such exercise cannot be undertaken by the Commission in an adjudicatory framework. The same is more in the nature of exercising legislative function of the Commission as the Regulations framed by it are in the nature of subordinate (delegated) legislation. Hence, ordinarily relaxation in the Regulations cannot be considered on a Petition filed by the Petitioner comprising particular category of consumers."

4.11 That it is humbly submitted that power to remove difficulty, as conferred by Regulation 9 of the Regulations, 2016 and Regulation 11 of the Regulations, 2020, is a limited and narrow power. It can only be exercised where a genuine difficulty arises in giving effect to the provisions of the Regulations. It does not extend to granting relief against the application of the Regulations, or to amending or nullifying their express provisions. The Petitioner has not demonstrated any difficulty in giving effect to the Regulations.

PARA-WISE REPLY:

1. That the contents of para no. 1 insofar as it relates to the filing of the present petition, the same is a matter of record. However, it is respectfully submitted that the Petition is not maintainable and is also devoid of merits as set out in the Preliminary Submissions/ Objections above. The provisions of Regulations, 2016 and Regulations, 2020 are unambiguous and binding on the plotted colony being developed by the Petitioner. The characterisation of the Petitioner's colony as "peculiar" is a self-serving afterthought and is wrong and denied.
2. That the contents of para no. 2 do not call for any reply.
3. That the contents of para no. 3 do not call for any reply being a matter of record.
4. That the contents of para no. 4 do not call for any reply being a matter of record.
5. That the contents of para no. 5 do not call for any reply being a matter of record.
6. That the contents of para no. 6, being reproduction of the Regulations, do not call for any reply.
7. That the contents of para no. 7 do not call for any reply being a matter of record.
8. That the contents of para no. 8 do not call for any reply being a matter of record.

9. That the contents of para no. 9 insofar as it relates to the object of the Regulations, the same is a matter of record. However, it is wrong and denied that the residential colony being developed by the Petitioner is peculiar in nature. It is further denied that the colony is not enclosed by any boundary wall or does not have restricted access. It is further denied that there is free and continuous ingress or egress of the persons residing outside the colony who use the internal roads as passage. It is further denied that the present arrangement is akin to individual residential houses that are not a part of the gated or controlled colony. It is further denied that the requirement of installation of reference meter does not arise. Detailed reply has already been given in the preliminary submissions/ objections, the contents of which are not being repeated here for the sake of brevity.

10. That the contents of para no. 10 insofar as it relates to the representation submitted by the Petitioner and the rejection of the same is a matter of record, however, it is wrong and denied that the representation of the Petitioner was rejected without going into merits of the case. It is further denied that the rejection order is mechanical or does not disclose any reasons, findings or analysis in support of the conclusions. It is further denied that the Answering Respondents ought to have afforded a reasonable and meaning opportunity to be heard to the Petitioner before the passing of the order. It is further denied that a reasoned and speaking order has not been passed. In this regard, it is submitted that the Answering Respondent has no authority to relax any binding Regulations of the Hon'ble Commission. As such, the representation made by the Petitioner was misconceived and was rightly rejected.

11. That the contents of para no. 11 are denied for the want of knowledge.

12. That the sub-para wise reply to para no. 12 is as under:

A. That the contents of para A insofar as it relates to the colony being developed by the Petitioner, the same is a matter of record, however, the contention that the presence of Panchayat rastas and dhanas makes the colony "non-gated" and exempt from the Regulations is misconceived. The presence of internal roads and water courses within a township is a standard feature of any large-scale development and does not transform a developer's colony into an open area. The relevant test under the Regulations is not the presence or absence of a boundary wall alone, but whether the development constitutes a colony of a Developer with individual electricity connections. The Petitioner's colony satisfies this test. As such, it is wrong and denied that the case of the Petitioner is peculiar. It is further denied that the infrastructure is being operated and maintained by the Respondent exclusively with no interference of the Petitioner. It is further denied that the Petitioner cannot be equated with the gated colony having restricted access. It is further denied that the Regulations applicable to gated colony cannot be ipso-facto made applicable to the colony being developed by the Petitioner.

B. That the contents of para B are wrong and denied. It is denied that the obligation imposed upon the Petitioner to install reference meter and/or bear the charges on account of unauthorised use runs contrary to the underlying object and purpose of the Regulations. further submitted that the "Statement of Objects and Reasons" and the preamble of a delegated legislation cannot be used to curtail or override its substantive operative provisions. The operative text of Regulation 4.3 of the Regulations, 2020 imposes the Reference Meter obligation on all developers who opt for multi-point individual connections. There is no express exception or exclusion for allegedly open or un-walled colonies. The Petitioner cannot import a qualification into the Regulations that the legislature/Commission did not see fit to insert. Infact, the preamble/headnote of the Regulations, 2020 refers to complexes "bounded with walls/fence or having restricted entry." The use of the disjunctive "or" is significant. A development satisfies the Regulations if it is either bounded or has restricted entry. A gated, developed township with defined roads, numbered plots and security arrangements, as the Petitioner's colony indisputably falls within the four corners of the Regulations in vogue. As such it is wrong and vehemently denied that the Petitioner's development does not fall within such category. It is further denied that the mischief sought to be addressed by the Regulations does not arise in the present case. It is further denied that the lack of access and consequential commercial losses on account of unauthorised use does not arise in the present case. It is further denied that the provisions relating to the installation of reference meter and levy of charges on account of unauthorised use are inapplicable to the Petitioner. It is further denied that the same have been mechanically invoked or are liable to be relaxed. It is humbly submitted that no relaxation is liable to be granted, solely for the financial benefit of one party.

C. That in reply to para C of the Petition, the Respondent submits that the contention concerning the definition of "unauthorised use" under Section 126 of the Electricity Act, 2003 is misconceived. However, such a contention raised by the Petitioner is misleading in nature, wrong and denied. Attention in this regard is brought towards the Relevant part of Regulation 3.9, reproduced below for ready reference:

"… … … An energy difference of up to 4%, in case of supply up to11 kV, and up to 5%, in case of supply at higher voltage, between 'A' and 'B', to be worked out as {(A-B) x 100}/A, shall be permissible towards transformation and /or LT losses. In case the difference in energy consumption as above for any billing cycle works out to be higher than 4% / 5%, it will be presumed to be on account of unwarranted/unauthorized use of electricity within the GHS and the GHS/ Developer/Residents Welfare Association shall be liable to pay for the difference in energy consumption over and above 4%/5% at the rate of energy charges as applicable for the highest slab under Domestic Supply category."

It is submitted that the Reference Meter regime and the obligation to pay for excess energy difference operates as a regulatory levy/mechanism for accounting for distribution losses within the colony, and does not require a finding of "unauthorised use" in the strict legal sense under Section 126 of the Electricity Act. The usage of the word "unwarranted" also clarifies the same. The energy difference exceeding the permissible threshold is to be paid by the Developer as a regulatory condition, not as a penal charge equivalent to a theft or unauthorised use finding under Section 126 of the Electricity Act, 2003. The two provisions operate in entirely different regulatory spaces and the Petitioner's attempt to conflate them to avoid the obligation is untenable. Such a submission raised by the Petitioner is misconceived and is liable to be rejected outrightly.

D. That in reply to the contents of para D, it is submitted that suggestion to install pre-paid meters is a prospective arrangement and the same does not in any manner extinguish the Petitioner's existing liability under the Reference Meter regime for the period during which individual connections have been operative. Further, though it is a matter of record that the First Amendment to the Regulations, 2013 dated 14.10.2014 provides that the Single Point Supply Regulations shall not apply to developers who opt for pre-paid meters. However, this provision applies only from the date of actual operationalisation of pre-paid meters. The Petitioner cannot be permitted to rely upon the said Regulations as a ground for retrospective exemption from past and present liabilities. Even otherwise, the Petitioner has not taken any concrete steps to install or operationalise pre-paid meters. Rest of the contents of the para are wrong and denied. It is denied that the Respondents have failed to operationalise the installation of prepaid meters. It is further denied that on account of any reason attributable to the Respondent, the Petitioner is saddled with the liability of variations exceeding 4%. It is further denied that the Petitioner is entitled to any relaxation. It is further denied that non-installation of pre-paid meters is on account of any default, omission or delay on the part of the Petitioner. Detailed reply has already been given in the preliminary submissions/ objections, the contents of which are not being repeated here for the sake of brevity.

E. That the contents of para E are wrong, misleading and hence denied. The contention raised by the Petitioner that the meter readings cannot be recorded on the "same day" as envisaged under Regulation 4.3(b) of the Regulations, 2020, is wholly misconceived and untenable. The Petitioner has failed to place on record any document, bill, or other material to substantiate that the readings of the individual electricity meters and the reference meters were, in fact, recorded on different dates. The said plea is thus founded merely upon conjectures and assumptions, unsupported by any cogent evidence. In any event, it is submitted that all the 3000 plots are presently not occupied and, therefore, the apprehended difficulty sought to be projected by the Petitioner is purely speculative and hypothetical in nature, and as such deserves no consideration.

13. That the contents of para no. 13 are wrong and denied. It is denied that the case of the Petitioner being the developer of a plotted colony stands on a different footing from that of GHS where a reference meter is installed for energy audit purpose. Such submissions raised by the Petitioner are misconceived and liable to be rejected.

14. That the contents of para no. 14 are wrong and denied. It is wrong and denied that the Regulations cannot be made applicable to the case of the Petitioner.

15. That in reply to the contents of para no. 15 it is submitted that no genuine difficulty *in giving effect* to the Regulations has arisen in the present case. The Petitioner is seeking exemption from clear and binding Regulations solely to avoid financial liability, which is impermissible. The present petition being non-maintainable under any of the provisions stated in the corresponding paras is liable to be dismissed.

16. That the contents of para no. 16 do not call for any reply.

17. That the contents of para no. 17 are denied for the want of knowledge.

18. That the contents of para no. 18 are wrong and denied.

Prayer clause is wrong and denied.

PRAYER

In light of the facts and circumstances mentioned hereinabove, it is most respectfully prayed that this Hon'ble Commission may be pleased to dismiss the present petition being non-maintainable and also being bereft of merit, in the interest of justice.

5. **Rejoinder of Petitioner received on 19/06/2026:**

5.1 That the present rejoinder is being filed by the Petitioner, Model Economic Township Limited (hereinafter "METL" or "Petitioner") to the Reply filed by the Respondent, Uttar Haryana Bijli Vitran Nigam Limited (hereinafter "UHBVN" or "Respondent").

At the outset, the Petitioner denies all allegations, insinuations, and contentions raised in the Reply that are inconsistent with, or contrary to, the averments made in the Petition. All submissions herein are made without prejudice and in the alternative. Nothing admitted herein shall be construed as a concession unless specifically and expressly stated.

Background

5.2 The present case pertains to plotted residential colonies forming a part of the “Model Economic Township,” a fully integrated licensed industrial township being developed by the Petitioner. The Township is spread over an extensive area of 2,379 acres in District Jhajjar, Haryana. The Electrification Plan for 200.71 MVA for Township area of 2,059.908 acres has already been duly approved and in accordance with the approved Electrification Plan, the Petitioner has already established the necessary electrical infrastructure to supply power to the plotted colony, including plotted residential colonies, with two double circuit transmission lines from Badana and Bahadurgarh (under construction), a 220/33 kV substation and multiple 33/11 kV substations, with underground electrical distribution network in various sectors. The said transmission line, sub-stations, along with the associated infrastructure, have been duly handed over by the Petitioner to the Respondent-UHBVN. Since such handover, the entire infrastructure is being exclusively operated and maintained by

Respondent-UHBVN, without any interference or involvement of the Petitioner.

5.3 As per the following License conditions, all the roads, including common area, shall be handed over by the Petitioner to competent Authority and thereafter such roads will become public roads for un-hindered movement of people and traffic:

Haryana Development and Regulation of Urban Areas Act 1976

"Under clause (a) of sub-section (3) of section 3 , the Licensee shall have the the responsibility for the maintenance and upkeep of all roads, open spaces, public park and public health services for a period of five years from the date of issue of the completion certificate unless earlier relieved of this responsibility and thereupon to transfer all such roads, open spaces, public parks and public health services free of cost to the Government or the local authority, as the case may be"

5.4 The residential project of the Petitioner is spread into in a large layout of more than 1,200 acres, which has multiple public roads, Rasta and Dhanas, STP channel, land of other landowners/ farmers and other connecting roads of the state, which is breaking the project into multiple parts. Thus, the entire project has to be kept open and for easy access to the public. Such a large layout is being developed in phases and thus cannot be enclosed through boundary wall on all the four sides, like a typical group housing project.

5.5 Furthermore, as per the prevailing guidelines of the Department of Town and Country Planning (DTCP), Haryana, Group Housing implies a building or a group of buildings constructed with shared amenities on a single undivided plot. Conversely, the Petitioner is developing a massive, open plotted township. The regulations governing localized, restricted-footprint Group Housing Societies cannot be ipso facto applied to a vast plotted development comprising separate ownerships and open public access. The Township is Not "Bounded by Walls" or "Restricted". The Respondent's reliance on isolated photographs showing localized security gates to claim the entire colony is bounded is misleading. The development is an open, integrated smart town (MET City) spanning a vast area in Jhajjar, projected to house a population of nearly 5 lakhs. It is fundamentally impossible to bound such a massive township with a single continuous wall due to the following geographical and statutory realities:

(a) Panchayat Rastas and Water Courses: There are various statutory water courses and *Rastas* (paths) owned by the Gram Panchayat running directly through the development. These are actively used as public thoroughfares by local villagers and remain entirely outside the Petitioner's control (photographs and maps demarcating the same will be placed on record);

(b) STP channel: There is a STP channel, owned by Irrigation dept, passing through the project area of the Petitioner thus dividing the residential project into two parts and such channel has to be kept open across its length on both the sides and cannot be enclosed for regular movement of staff engaged in inspection/maintenance by irrigation department.

(c) Other public Road- Two major roads namely Yakubpur-Fatehpur and Khalikpur-Fatehpur are also passing through the project thus dividing the residential project of the Petitioner into multiple parts.

(d) Extensive Road Networks: The Petitioner has developed major arterial and sector roads (greater than 12 meters in width). These function as open sector roads accessible to the general public, not as restricted internal driveways of a gated complex. The electrification plan approved by the authorities encompasses these open major routes. There is Panchayat land in between the development. There are unacquired land parcels within the township boundary owned by local farmers.

(e) 2-Karam rasta - As per mandatory license conditions issued under the provisions of Haryana Development and Regulation of Urban Areas Act 1975, the Petitioner is legally obligated to provide a "2-Karam rasta" (right of way) at its own cost to these farmers wherever they lack direct access from government roads. The Petitioner has already provided several such accesses, explicitly rendering those entry/exit points unrestricted and non-gated;

(f) Other land owners/farmers co-existing with project of Petitioner- There are several land parcels owned by land owners/farmers (marked as "OL" in the map attached), who do farming on their land and for the purpose, have been provided open access and as a result, there are many open access area cutting across all the residential projects of the Petitioner.

5.6 That, before proceeding to enumerate the difficulties being faced by the Petitioner and rejoinder to the reply submitted by the Respondent, the relevant provisions of the Regulations are re-produced below for the ready reference of this Hon'ble Commission:

Relevant provision of the HERC (Duty to supply electricity on request, Power to recover expenditure incurred in providing supply and Power to require security) Regulations, 2016:

"3.9 Single Point Supply

The Employers seeking new electricity connections for their Colonies, which are bounded with walls, have restricted entry, having 20(twenty) or more residential units and irrespective of connected load, shall be given Single Point Supply by the distribution licensee at 11kV or higher voltage, depending upon the feasibility, for making electricity available to the employees residing in the Colony and for common services/ non-domestic loads. Distribution of electricity within the Colony shall be owned and managed by the Employe"

All Group Housing Societies (GHSs) seeking new electricity connections, which are bounded with walls, have restricted entry, having 20 (twenty) or more residential units and irrespective of connected load shall have the following two options for supply of electricity by the distribution licensee to the GHS:

Option-1: Supply of electricity at a Single Point to the GHS at 11 kV or higher voltage depending upon the feasibility under Bulk Supply(Domestic) schedule of tariff.

Option-2: Individual electricity connections to the residents/members and for common services/Non-Domestic Supply loads under relevant schedules of tariff. A reference meter shall be installed by the distribution licensee at its cost at the incoming supply point of the GHS. The total energy consumption of the electricity recorded at the incoming supply point of the GHS as per reference meter (say 'A') shall be compared with the total electricity consumption of all the residents/members residing in the GHS as per their individual meter readings plus the consumption for the common services/other nondomestic loads as per readings of relevant meters (say 'B') for each billing cycle. An energy difference of up to 4%, in case of supply up to11 kV, and up to 5%, in case of supply at higher voltage, between 'A' and 'B', to be worked out as {(A-B) x 100}/A, shall be permissible towards transformation and /or LT losses. In case the difference in energy consumption as above for any billing cycle works out to be higher than 4% / 5%, it will be presumed to be on account of unwarranted/unauthorized use of electricity within the GHS and the GHS/ Developer/Residents Welfare Association shall be liable to pay for the difference in energy consumption over and above 4%/5% at the rate of energy charges as applicable for the highest slab under Domestic Supply category.

However, subject to the conditions mentioned in the 1st amendment to the Haryana Electricity Regulatory Commission (Single Point Supply to Employers' Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers) Regulations,2013, Regulations, issued vide Notification dated 14th October, 2014, these Single Point Supply Regulations shall not apply to the electricity consumers of Employers' Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers who opt for availing electricity supply through pre-payment meter.

"2. Definitions

In these Regulations, unless the context otherwise requires:

The term 'Group Housing Society' for the purpose of above Regulation shall mean a residential complex owned/managed by a Co-operative Group Housing Society registered with the Registrar Co-operative Societies, Haryana or the Societies registered under Societies Act,1860 and for the sake of brevity the definition includes residential or residential cum commercial complex developed by a Developer and approved by an appropriate authority."

The term 'Group Housing" is also defined under the Haryana Development and Regulation of Urban Area Act 1975, as under:

"group housing" means a building designed and developed in the form of flats for residential purpose or any ancillary or appurtenant building including community facilities, public amenities and public utility as may be prescribed;

The Petitioner development is regulated by the DTCP license conditions and provisions of the Act.

"unauthorised use of electricity" means the usage of electricity-

by any artificial means; or
by a means not authorised by the concerned person; or
authority or licensee; or
through a tampered meter; or
for the purpose other than for which the usage of electricity was authorised; or
for the premises or areas other than those for which the supply of electricity was authorized."]
Supply of electricity by the distribution licensee to the Group Housing Societies (GHSs)
"4.3 In case the GHS opts for release of individual electricity connections by the distribution licensee to its residents/members and for common services/NDS load, if any, as per clause 4.1 (b), the GHS will be obliged to furnish an undertaking to the distribution licensee, in the Form enclosed as Annexure-1, and shall give their acceptance to the conditions laid down as per Annexure -1.
(a) The Distribution Licensee shall provide and install a single reference meter at the incoming supply point at its own cost to measure consumption of electricity of the loads within the GHS.
(b) The readings of reference meter and all individual meters within the GHS shall be taken on the same day for each billing cycle by the distribution licensee in the presence of the security guard or a representative of the GHS. [emphasis laid]
"3.(d) The distribution licensee shall raise bill for the energy difference for each billing period on the GHS and the same shall be payable by the GHS. If payment is not made within the due date, late payment surcharge, as applicable, shall be leviable. In case of non-payment of the bill for the energy difference for two consecutive billing cycles, supply to GHS may be disconnected from the single point energy meter (reference meter). The supply will be restored only after clearance of the dues for energy difference along with the surcharge and applicable reconnection charges"
"4.4 After receipt of undertaking as above from the GHS, the distribution licensee shall release individual electricity connection to the residents/members and for the common services under DS category and NDS load, if any, under NDS category. A reference meter shall be installed by the distribution licensee at the incoming supply point of the GHS".

5.7 Rationale/Objective of reference meter regulations

(a) That a perusal of the aforesaid Regulations reveal that, in case where a Developer opts for a multi-point connections i.e. individual connections to be released to the residents, in such a scenario, a 'Reference Meter' is liable to be installed at the incoming point.

(b) The maximum limit of losses of 4%/5% are on account of distribution and transformation losses. If losses are more, the same will be on account unwarranted/unauthorized use of electricity within the Colony and the Developer has been made liable to pay charges for such presumed unauthorised use, particularly in situations where the

Respondent-Discom does not exercise control over the internal electrical infrastructure of a colony.

(c) As per feedback with the Commission, *the officers/officials of the distribution licensees do not have free/unhindered access to the premises of the residents of these GHSs/Colonies/Complexes because of restricted entry through security gates manned by security personnel. In the absence of free/unhindered access to the premises of the residents, the officers/officials of the distribution licensee cannot effectively take the steps required for reduction in commercial losses. This leads to increase in commercial losses of the Distribution Licensees and ultimately affects the interests of honest electricity consumers as they have to pay higher tariff. Simultaneously there are frequent complaints from the residents regarding harassment at the hands of employees of the distribution licensees in connection with meter reading, billing and payment of bills.*

(d) Further, these Single Point Supply Regulations shall not apply to the electricity consumers of Employers' Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers who opt for availing electricity supply through pre-payment meter. *The Respondent has failed to install pre-payment meters ever after expiry of more than 12 years and hence Petitioner, who is willing to have these meters installed by the Respondent, cannot be called upon the bear the loss for failure of the part of Respondent to discharge its statutory duty.*

5.8 A bare reading of the aforesaid makes it abundantly clear that the regulatory framework was conceived specifically for colonies and complexes that are enclosed, gated, and subject to restricted entry, where distribution licensees do not enjoy free and unhindered access to consumers.

5.9 The Regulations Provide for 4%/ 5% losses on account of distribution and transformation losses. The entire electrical distribution network of the Petitioner is underground and as such there may not be any possibility of any distribution losses. The petitioner has installed entire electrical infrastructure as per the approved electrical plan with the capacities of each of the infrastructure mentioned in the approved electrical plan. After completion of the infrastructure, the same was tested by officials of the Respondent and taken over by them and thereafter they have been operating the infrastructure on their own. Therefore, even if there are some transformation losses, the same cannot be recovered from Petitioner.

5.10 Further to the above, after commissioning and handing over (copies of handing over letters attached), the entire electrical infrastructure is operated and maintained by the Respondent and its officials and in such circumstances, if there are any unauthorized use that cannot be recovered from the Petitioner as the petitioner has no control either on the electrical infrastructure or the residents living in the colony.

1. PRELIMINARY SUBMISSION:

(i) That the Respondent has by way of its reply has made a bold assertion that the plotted colony of the Petitioner is a "bounded and gated colony" and that "there is no free ingress-egress to the colony in question." The said assertion is not only factually incorrect but is also demonstrably false. The Petitioner emphatically denies the same. In this regard, attention of the Hon'ble Commission is brought towards the photographs annexed herewith as Annexure R-1 (Colly.), which depicts the actual, on-ground condition of the plotted colony. The said photographs would unequivocally demonstrate the following undeniable facts:

(ii) There are multiple open entry and exit points, including Panchayat rastas (village paths) and dhanas (water courses) that run through the Township, providing free and unhindered access to any member of the public.

(iii) Persons residing outside the colony routinely traverse the internal roads of the Township to access their land and other destinations, using them as a thoroughfare.

(iv) The barbed wire fencing is installed for sole purpose of demarcation of the colony and stop encroachment by the landowners/farmers co-existing with the projects of the Petitioner and also to provide security to residents of the colony.

(v) The Petitioner has earmarked a plot of 0.47 acres in pocket L and install 33/11 KV sub-station, where the officials of the Respondent will operate and will have complaint centre. This shows there will be daily full day presence of officials of the Respondent inside the colony.

(vi) That it is respectfully submitted that photographs annexed by the Respondent as Annexure R-1 (Colly.) in its Reply do not depict the full extent and nature of the Township. The Respondent has selectively presented photographs of certain infrastructure elements within the Township and has sought to portray them as depicting a "bounded" colony. The Respondent's photographs, at best, show certain constructed infrastructure such as roads and plot demarcations, which are standard features of any planned development and are wholly different from a bounded, walled, or restricted-entry colony within the contemplation of the Regulations.

(vii) That the Respondent has further contended that the Petitioner voluntarily/ on its own opted for Option-2 under Regulation 3.9 of the Regulations, 2016 and is therefore stopped from challenging the Reference Meter regime. This contention is misconceived, misleading, and is liable to be rejected for the following reasons:

a. The Petitioner has never applied for Option-2.

b. The Petitioner is not challenging the applicability of the Regulations per se. The Petitioner's case is limited and specific that the Reference Meter regime, as prescribed under the Regulations, was conceived exclusively for gated, bounded, and restricted-entry colonies, and is wholly inapplicable to the nature and character of the present Township and also when entire electrical infrastructure is handed over by Petitioner to the Respondent.

c. It is necessary to bring to this Hon'ble Commission's attention a fact of the utmost significance: the Petitioner has never furnished any undertaking in the form prescribed under Annexure-1 to the Regulations, 2020 as required under Regulation 4.3 thereof. without the execution of the requisite undertaking, the obligations under Regulation 4.3 of the Regulations, 2020 do not get triggered.

d. Even otherwise, without prejudice to the foregoing any alleged "option" exercised by the Petitioner must be assessed in the context of the regulatory framework prevailing at the time, and cannot amount to a waiver of the right to seek appropriate regulatory relief when a genuine difficulty in implementation arises.

(viii) That further the submission made by the Respondent that the Petitioner has approached the Commission only when significant financial liability has accrued is a mischaracterization of events. The Petitioner had duly approached the Respondent by way of a formal representation, vide its letter dated 22.05.2025 which was rejected by a non-speaking, mechanical order (Memo dated 06.10.2025). The Petitioner thereafter raised the issue before this Hon'ble Commission in HERC/Petition No. 29 of 2025, whereupon liberty was expressly granted by this Hon'ble Commission to file a separate petition. The present petition has been filed in accordance with such liberty.

(ix) That it is further submitted that the difficulty being faced by the Petitioner is not merely financial. The difficulties are of regulatory nature, namely:

a. The physical impossibility of taking meter readings of individual meters of presently living residents and the reference meter on the same day in every billing cycle, as mandated under Regulation 4.3(b) of the Regulations, 2020 where the habitation is expected to go upto more than 20,000 dwelling units in coming years in residential project of the Petitioner.

b. The inapplicability of the Reference Meter framework which presupposes a bounded, gated colony with restricted access to an open, plotted township with multiple free entry and exit points.

c. After commissioning, the entire electrical infrastructure has been handed over to the Respondent and it is being operated and maintained by the Respondent.

(x) As such, the objections/ submissions raised by the Respondent by way of its reply are misconceived and are liable to be rejected. Further, the present petition is liable to be allowed in view of the genuine difficulty being faced by the Petitioner.

PARA-WISE REPLY:

1.- 3. That the contents of para no. 1 to 3 of the reply relating to the filing of the present petition, the grievance raised by the Petitioner and the requisite regulations, do not call for any reply.

4. That in reply to Para 4 of the Reply, it is reiterated and reaffirmed that the colony neither gated nor completely bounded by wall (concrete) on all four sides as there are open spaces for movement of people on Ratas, Dhanas, public roads, STP channels and access road provided to farmers living amidst the colony. The photographs filed by the

Respondent have been selectively chosen and do not represent the ground reality. The contention of the Respondent is factually incorrect and is emphatically denied.

5. In reply to Para 5 of the Reply, it is submitted that the Respondent's contention that plain reading of Regulation 4.3 of the Regulations, 2020 makes it clear that that reference meter obligation applies to every developer who has opted for individual electricity connections for its residents is wrong and denied. Further, the Respondent's contention that these regulations do not carve out any exception for "open" colonies is a misreading of the regulatory framework as a whole. The preamble and the Statement of Objects and Reasons of the Regulations form an integral part of the interpretive context and must guide the application of the substantive provisions. The Hon'ble Commission itself, in the Statement of Objects of the Regulations, 2013, had clearly identified the class of establishments for which these Regulations were designed i.e. those with restricted entry and absence of free access.

6. That in reply to Para 6 of the Reply, it is submitted that the Respondent's contention that the difficulty in taking simultaneous readings is speculative or is based on mere presumptions and assumptions is incorrect. The Township is at various stages of completion and occupation. In any event, even if only a fraction of the plots are occupied, the structural impossibility of simultaneous meter readings across a sprawling township of approximately 2,059 acres is self-evident. As the Township progresses and occupancy increases, this difficulty will only intensify. Even otherwise, the Petitioner is entitled to a prospective clarification on this issue.

7.- 8. That the contents of Para 7 and 8 of the reply are wrong and denied. The contention raised by the Respondent that the Petitioner has on its own opted for Option-2 under Regulation 3.9 of the Regulations, 2016 and is therefore estopped from challenging the Reference Meter regime, is misconceived, misleading, and is liable to be rejected as the Petitioner has never opted for Option 2. It is further denied that the Petitioner has approached the Hon'ble Commission only when significant financial liability has accrued. The contents of the petition as well as the preliminary submissions of the present rejoinder may kindly be read as part and parcel of the rejoinder to the corresponding para which is not being repeated here for the sake of brevity.

9. That the contents of Para 9 of the reply are wrong and denied. It is submitted that the Respondent has cited the judgment of the Ld. CERC in *Tamil Nadu Generation and Distribution Corporation Ltd. Vs. NLC India Limited & Ors.* (Petition No. 267/MP/2017) and the observations of the Hon'ble Supreme Court in *M.U. Sinai Vs. Union of India* [(1975) 2 SCR 640] to contend that the Petitioner's grievance is a financial difficulty and not a difficulty in giving effect to the Regulations. In this regard, it is submitted that this characterization is fundamentally incorrect. As have been detailed hereinabove, the difficulty being faced by the Petitioner is not merely financial but is regulatory in nature, which is not applicable to the Petitioner. Be that as it may, the Petitioner cannot also be made financially liable by incorrectly applying the Regulations to

its case. The contents of the petition as well as the object and intent of the regulations as well as preliminary submissions of the present rejoinder may kindly be read as part and parcel of the rejoinder to the corresponding para which is not being repeated here for the sake of brevity especially in view of the fact that after commissioning, the entire electrical infrastructure has been handed over by the Petitioner to the Respondent and thereafter the same is being maintained and operated the Respondent.

10. That the contents of Para 10 are wrong and denied. The Respondent's reliance on the order dated 26.06.2019 in Petition No. 13 of 2018 (Haryana Chamber of Commerce and Industries, Panipat) is misplaced. That order pertained to a category of consumers seeking amendment of the Regulations themselves. The present Petition does not seek any amendment to the Regulations. The Petitioner seeks a clarification/declaration (and not the amendment) as to the non-applicability of the Regulations to its specific, peculiar factual circumstances, and in the alternative, removal of the difficulty, as envisaged in Regulation no. 9 and 11 of HERC (Duty to supply electricity on request, Power to recover expenditure incurred in providing supply and Power to require security) Regulations, 2016 and Regulation 11 & 12 of the HERC (Single Point Supply to Employers' Colonies, Group Housing Societies and Residential or Residential-cum-Commercial/ Commercial Complexes of Developers and Industrial Estates/ IT parks/SEZ) Regulations, 2020 that has arisen in the implementation of these provisions in the context of the plotted Township.

11. That the contents of para 11 are wrong and denied. It is denied that the power to remove difficulty is limited or narrow power to that the Petitioner has not demonstrated any difficulty in giving effect to the Regulations.

12. That the contents of para 12 are wrong and denied. The Respondent has denied that the infrastructure is being operated and maintained by the Respondent exclusively with no interference of the Petitioner. This is wrong and denied. After the completion of the electrical infrastructure by the Petitioner, the same was handed over to the Respondent and since then such electrical infrastructure has been maintained and operated by the Respondent with no interference of whatever nature by the Petitioner. It is further denied that the contention of the respondent that there is no express exception or exclusion for allegedly open or un-walled colonies. It is a matter of record that these regulations are applicable to those group housing society or their residential development, which are bounded by boundary wall with restricted entry and exit, which is not the case of the Petitioner. It is wrong and denied that the Petitioner had not taken any concrete steps to install or operationalize pre-paid meters. The Respondent itself has failed to install pre-paid meters even after expiry of more than 12 years from direction of this Hon'ble Commission. The Petitioner has always been willing to have such meters installed by the Respondent and has recently requested the Respondent to have them installed on urgent basis, which proved the Petitioner was always willing to have the pre-paid meter installed but on the contrary, it is the

statutory duty for the Respondent to install such pre-paid meters installed at its own cost.

Para12 (A) and (B)- The Respondent's assertion that internal roads and water courses do not transform a developer's colony into an open area is legally flawed. Panchayat lands, Irrigation dept lands and PWD roads are sovereign public property ensuring free ingress and egress, which legally breaks any continuous boundary.

Para 12(D)- The Respondent admits the provision exempting developers, who opt for prepaid meters yet arbitrarily attempts to deny this benefit to the Petitioner. The Petitioner has already applied for installation of prepaid meters by the Respondent.

13. In reply to para 13-15, it is reiterated that the scale of MET City (a 5-lakh population smart town) places it on an entirely different footing than a standard Group Housing Society. Attempting to force-fit GHS regulations onto a macro-township leads to the exact regulatory absurdity and difficulty that Section 181 and the inherent powers of this Hon'ble Commission are designed to remove.

Further, the contents of the "PARA-WISE REPLY" submitted by the Respondents are misconceived, wrong and denied. The contents of the petition as well as the present rejoinder are reiterated and reaffirmed.

PRAYER

In light of the above submissions, it is most respectfully prayed that this Hon'ble Commission may be pleased to:

A. Clarify and declare that the provisions relating to installation of reference meters, namely Regulation 4.3 of the Regulations, 2020 and Regulation 3.9 of the HERC Regulations, 2016, are not applicable to the plotted colony being developed by the Petitioner, considering its peculiar nature, namely that the same is not enclosed completely by a boundary wall on all four sides of the residential project and thus does not have restricted entry or exit points, as evidenced by the photographs annexed herewith as well as considering that after commissioning, the entire electrical infrastructure has been handed over by the Petitioner to the Respondent and thereafter the same is being maintained and operated the Respondent.

B. To give direction to the Respondent to install pre-payment meters in the residential projects of the Petitioner on immediate basis.

IN THE ALTERNATIVE:

C. Relax and/or remove the difficulty that has arisen in the implementation of Regulation 4.3 of the HERC Regulations, 2020 and Regulation 3.9 of the HERC Regulations, 2016, in the peculiar facts and circumstances of the present case; AND

D. Hold and declare that due to non-applicability of the reference meter obligations on the Petitioner, no liability under Regulation 4.3 of the said Regulations accrues against the Petitioner. AND/ OR

E. Pass such other and further order(s) as this Hon'ble Commission may deem fit and proper in the facts and circumstances of the present case.

6. The case was heard on 09/07/2026, Sh. Chetan Mittal, advocate on behalf of petitioners advanced his arguments and submitted that the regulations

for reference meter are not applicable on their Township as the same is a plotted Township having no boundary wall imposing any restriction and the plot owners are direct consumers of DISCOM. The petitioner has developed the electrical infrastructure as per approved electrification plan and handed over the system to DISCOM. Sh. Raghujeet Madan submitted that the petitioner has opted for option-2 in regulations and as such the reference meter and its implications are applicable on the petitioner. After hearing the arguments advanced by the parties, the Commission directs the parties to file their written submissions by 16/07/2026 and reserves the order.

7. **Written Submissions of Petitioner received on 15/07/2026:**

Preliminary Submissions

7.1 Model Economic Township Limited (hereinafter referred to as "Answering Petitioner" or "Company") is wholly owned subsidiary of Reliance Industries limited and, since October 2006, is presently engaged in development of industrial Township (hereinafter referred to as "MET City") over the licensed area of 2,379 acres in Jhajjar district. It is committed to create significant industrial activities in otherwise industrially backward Jhajjar District.

7.2 It has so far developed around 2,000 acres and created a huge impact on local economy as well as contributed to economic growth of the state by creating impactful economic activities thus leading to large scale employment, manufacturing activities, generation of revenue to the state, substantial increasing income of the local community etc. In the last decade, the Answering Respondent has contributed and achieved following milestones for overall development of local community and the state Jhajjar District:

7.2.1 Several industries from 10 countries are operating in MET City and with their investments in MET City, it has become a preferred destination for foreign investment in India and the State;

7.2.2 While the license obligations stipulate only development of internal infrastructure works within the licensed area but the Company has constructed trunk infrastructure in the form of water treatment plant, water transmission line over 18 kilometer along with huge water storage tanks along the water treatment plant in addition to underground water distribution network to ensure 24 by 7 supply of treated water to industrial units as well as the residents of MET City;

7.2.3 The Company has also developed external trunk infrastructure for supply of power in the form of two 220 KV double circuit transmission lines (dual source) from Badana and Bahadurgarh sub-station of HVPNL as well as 220 KV GIS substations to ensure uninterrupted 24X7 power supply to industrial units as well as residents of MET City;

7.2.4 The electrical infrastructure developed by the company includes entire underground electrical distribution network with CSS and RMUs which is unique in the state and for the company, it is not only multiple times costly but time consuming 02 to complete all the underground infrastructure within time. The electrical substations are all GIS based with latest technology and low maintenance, which is a huge advantage for UHBVN when the electrical infrastructure along with substations are handed over to them after commissioning;

7.2.5 After completion of electrical infrastructure, the same is commissioned and handed over to the Respondent and thereafter operated and managed by the Respondent. The Respondent has provided multiple connections to all units/residents and also installed reference meter in plotted residential colonies.

7.2.6 The Petitioner has been focusing always on creating large-scale open and green areas for better living as well as better esthetics and providing congenial environment for industrial growth as well;

7.3 The present case pertains to plotted residential colonies forming a part of the "Model Economic Township," a fully integrated licensed industrial township being developed by the Petitioner. The Township is spread over an extensive area of 2,379 acres in District Jhajjar, Haryana. The Electrification Plan for 200.71 MVA for Township area of 2,059.908 acres has already been duly approved and in accordance with the approved Electrification Plan, the Petitioner has already established the necessary electrical infrastructure to supply power to the plotted colony, including plotted residential colonies, with two double circuit transmission lines from Badana and Bahadurgarh (under construction), a 220/33 kV substation and multiple 33/11 kV substations, with underground electrical distribution network in various sectors. The said transmission line, sub-stations, along with the associated infrastructure, have been duly handed over by the Petitioner to the Respondent-UHBVN. Since such handover, the entire infrastructure is being exclusively operated and maintained by Respondent-UHBVN, without any interference or involvement of the Petitioner.

7.4 The residential project of the Petitioner is spread into in a large layout of more than 1,200 acres, which has multiple public roads, Rasta and Dhanas, STP channel, land of other landowners/ farmers and other connecting roads of the state, which is breaking the project into multiple parts. Thus, the entire project has to be kept open and for easy access to the public. Such a large layout is being developed in phases and thus cannot be enclosed through boundary wall on all the four sides, like a typical group housing project.

7.5 Furthermore, as per the prevailing guidelines of the Department of Town and Country Planning (DTCP), Haryana, Group Housing implies a building or a group of buildings constructed with shared amenities on a single undivided plot. Conversely, the Petitioner is developing a massive, open plotted township. The regulations governing localized, restricted-footprint Group Housing Societies cannot be ipso facto applied to a vast plotted development comprising separate ownerships and open public access. The Township is neither "Bounded by Walls" or "Restricted" nor a group housing society. The Respondent's reliance on isolated photographs showing localized security gates to claim the entire colony is bounded is misleading. The development is an open, integrated smart town (MET City) spanning a vast area in Jhajjar, projected to house a population of nearly 5 lakhs. It is fundamentally impossible to bound such a massive township with a single continuous wall due to the following geographical and statutory realities:

(a) Panchayat Rastas and Water Courses: There are various statutory water courses and Rastas (paths) owned by the Gram Panchayat running directly through the development. These are actively used as public thoroughfares by local villagers and remain entirely outside the Petitioner's control (photographs and maps demarcating the same will be placed on record);

(b) STP channel: There is a STP channel, managed and operated by Irrigation dept, passing through the project area of the Petitioner thus dividing the residential project into two parts and such channel has to be kept open across its length on both the sides and cannot be enclosed for regular movement of staff engaged in inspection/maintenance by irrigation department.

(c) Other public Road- Two major roads namely Yakubpur-Fatehpur and KhalikpurFatehpur are also passing through the project thus dividing the residential project of the Petitioner into multiple parts.

(d) Extensive Road Networks: The Petitioner has developed major arterial and sector roads (greater than 12 meters in width). These function as open sector roads accessible to the general public, not as restricted internal driveways of a gated complex. The electrification plan approved by the authorities encompasses these open major routes. There is Panchayat land in between the development. There are unacquired land parcels within the township boundary owned by local farmers.

(e) 2-Karam rasta - As per mandatory license conditions issued under the provisions of Haryana Development and Regulation of Urban Areas Act 1975, the Petitioner is legally obligated to provide a "2-Karam rasta" (right of way) at its own cost to these farmers wherever they lack direct access from government roads. The Petitioner has already provided several such accesses, explicitly rendering those entry/exit points unrestricted and non-gated;

(f) Other land owners/farmers co-existing with project of Petitioner- There are several land parcels owned by land owners/farmers (marked as "OL" in the map attached), who do farming on their land and for the purpose, have been provided open access and as a result, there are many open access area cutting across all the residential projects of the Petitioner.

(g) The Respondent has never complained that there is no free access to the plotted colonies for its employees at any time.

Applicable provisions for the subject matter

7.6 Relevant provision of the HERC (Duty to supply electricity on request, Power to recover expenditure incurred in providing supply and Power to require security) Regulations, 2016:

Statement of object and reasons for single point supply regulations (notification dated 22nd April, 2020)

In Order to get the feedback from the consumers the Commission held interactive session with RWAs of Group Housing Societies, Residents and Developers at Gurugram and Faridabad. The Commission on hearing the difficulties expressed by the participants in the meetings, asked them to make submissions in this respect in writing as well.

From the averments made by the participants during the interaction held and the written submissions made by them, the Commission framed the following issues for consideration.

(i) The developers have not constructed adequate electrical infrastructure as per approved plan in some of the residential complexes with the result, the residents are not getting uninterrupted and quality power supply

(ii) The RWA/Developers /Facility Managers in case of certain Single Point Supply Connections are not charging the residents as per the regulations, instead wrong tariff is being charged i.e. highest slab tariff to bulk supply domestic category etc., other consumers like NDS consumers, shopping complex, offices etc. are being charged as per their own rates and terms and conditions

(iii) Few RWA s [Developers are charging Administration Charges @ 12% on energy consumption charges which is contrary to the provisions of the Regulations.

(iv) The Common Area Maintenance (CAM) charges have also been linked with electricity charges and in case of non-payment of CAM charges, the electric supply of the Residents is disconnected and TDCO/RCO fee is levied as per their own rates.

(v) There is no separate metering for recording the consumption of NDS, Common facilities services and the loads other than the residents in some Societies/Resjdential cum Commercial Complexes.

(vi) The GHS/Developers/RWAs have not installed the meters as per standard specifications of the Distribution Licensee at the premises of individual consumers and other loads like NDS and Common Services etc.

(vii) The RWA/developers do not ensure that the meters getting defective or dead stop are replaced immediately resultantly such residents and the NDS Load are billed on average basis.

(viii) The Residents raised the issue of meter accuracy and testing/ sealing and submitted that the meter installed by the developers are running fast and need to be tested/ recalibrated.

(ix) The Developer/RWAs requested to make provision in the Regulation for recovery of electricity charges along with DG supply and Common Area Services Maintenance Charges (CAM) through prepaid meters.

None of the above instances are applicable in plotted residential colonies developed by the Petitioner nor any such un-fair practice adopted by us as developer.

Option-I: Supply of electricity at a Single Point to the GHS at 11 kV or higher voltage depending upon the feasibility under Bulk Supply (Domestic) schedule of tariff.

Option-2: Individual electricity connections to the residents/members and for common services/Non-Domestic Supply loads under relevant schedules of tariff. A reference meter shall be installed by the distribution licensee at its cost the incoming supply point of the Group Housing Societies (GHS). The total energy consumption of the electricity recorded at the incoming supply point of the GHS, as per reference meter (say 'A'), shall be compared with the total electricity consumption of all the residents/members residing in the GHS as per their individual meter readings plus the consumption for the common services/other non-domestic loads as per readings of relevant meters (say 'B') for each billing cycle. An energy difference of up to 4%, in case of supply up to 11 kV, and up to 5%, in case of supply at higher voltage, between 'A' and 'B', to be worked out as {(A-B) x 100}/A, shall be permissible towards transformation and lor LT losses. In case the difference in energy consumption as above for any billing cycle works out to be higher than 4% / 5%, it will be presumed to be on account of 06 unwarranted/unauthorized use of electricity within the GHS and the GHS/ Developer/Residents Welfare Association shall be liable to pay for the difference in energy consumption over and above 4%/5% at the rate of energy charges as applicable for the highest slab under Domestic Supply category.

7.7 First amendment to regulation of 2013 was made, vide regulation no. HERC/27/2024 dated 14th October, 2014, which provided that the objectives of Single Point Supply Regulations, 2013 are largely achieved if the electricity consumers in such Employers' Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers switch over to electricity supply through pre — paid meters. The following (regulation 7) is added after regulation 6 of the Principal Regulations and the numbering of the subsequent regulations shall be changed accordingly" i.e. the existing regulation 7 shall be re — numbered as 8 and so on".

"These Regulations shall not apply to the electricity consumers of Employers' Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers, who opt for availing electricity supply through pre — paid meter".

Rationale/Objective of reference meter regulations

7.8 As per feedback with the Commission the officers/officials of the distribution licensees do not have free/unhindered access to the premises of the residents of these GHSs/Colonies.Com lexes because of restricted entry through security gates manned by security personnel. In the absence of free/unhindered access to the premises of the residents, the officers/officials of the distribution licensee cannot effectively take the steps required for reduction in commercial losses. This leads to increase in commercial losses of the Distribution Licensees and ultimately affects the interests of honest electricity consumers as they have to pav higher tariff. Simultaneously there are frequent complaints from the residents regarding harassment at the hands of employees of the distribution licensees in connection with meter reading, billing and payment of bills.

7.9 After the notification of 1st Amendment to the Regulation 34 of 2016 in 2020 and after notification of Regulation 49 of 2020, almost all the issues, whether related to improper billing or inadequate infrastructure, got resolved to a large extent and the constraints on part of DISCOMs or on the part of Developers were adequately addressed.

7.10 However, 2nd and 3rd amendments notified on 27th September, 2023 have withdrawn the option to obtain Single Point Connection from the DISCOMs and instead scheme of multiple points with reference meter was notified. The intent behind the same, as has been spelled out in the object and reasons for notification of Single Point Supply Regulations, is to overcome the difficulty, where the DISCOMs do not control the internal electrical infrastructure within gated group housing society and does not have an easy access to each flat in a gated group housing society. Therefore, to avoid any theft/unauthorized usage of electrical connection by an allottee, a reference meter installed at a common point is used for measurement of supplied electricity. Thus, it was stipulated under the regulations that a reference meter will have to be installed by the DISCOM, and for a loss of more than 4%, the loading will have to be done pro rata on all the residents to recover the excess losses.

Case of the Company- a pure Plotted development

7.11 The Company is developing Integrated Industrial Townships over a very large area with five approved layouts for an aggregate land area of 2,059 acres in the district of Jhajjar for which Electrification plan also stands approved. The Company is undertaking phase wise development of the electrical infrastructure and has already constructed the requisite electrical infrastructure for feeding the plotted residential colony including a 220/33KV sub-station & 33/11 KV substations in various sectors as per approved electrification plan. The sub-station and the associated infrastructure have been duly handed over to UHBVN and is being operated and maintained by UHBVN exclusively with no interference of whatsoever nature by METL.

7.12 The integrated industrial colony is largely plotted colony with industrial, residential and commercial plots. There are lot of Panchayat rastas and dhana (water course) within the township and in addition, as per regulations of TCP, we have to provide two karam rasta (access) to all the landowner whose land fall within our development from our road network, where there is no Panchayat rasta. In view of the above, all the projects/phases are not bounded by boundary wall and as such, there is continuous entry/exit of people living outside plotted colony and having their land inside our development as a thoroughfare.

7.13 The plotted development of the Petitioner is neither a group housing development nor it is group housing society.

7.14 After the installation and commissioning of Electrical infrastructure, the same is handed over to UHBVN, which provides multiple connections (DS connections) to individual plot-owners/residents in the plotted residential colony

7.15 The Company had earlier represented to the Respondent, vide our letter no. METL/2024-25/SP-70 dated 22nd May, 2025, a copy of which is enclosed herewith, stating that provision of reference meter is not applicable to its plotted development. However, UHBVN, vide letter dated 6th October, 2025, has rejected its representation without assigning any cogent rationale for such rejection.

7.16 Considering the above, the Company submitted its representation, vide letter dated 14th October, 2025, to this Hon'ble Commission and made following request:

"Considering the above, we request this Hon'ble Commission to explicitly clarify or through proviso inserted below regulation 4.17.9 of the Duty to Supply Regulations and also to Clause 4.3 of Single Point Supply Regulations, 2020 that these provisions for providing reference meter are not applicable to plotted colonies where multiple connections are given by the Licensee"

7.17 The matter was listed for hearing before the Hon'ble Commission on 15th October, 2025 and the Hon'ble Commission issued the order-

"The representatives of the Model Economic Township Ltd. (METL) submitted that they are developing a plotted colony and individual connections are being released to each consumer. The infrastructure has been handed over to UHBVN and METL has no control over any activity. However, in compliance to the regulations we were compelled to install a reference meter and in case there is a difference of more than 4% in the energy recorded in reference meter vs. Cumulative energy of individual meters we are being penalised whereas the distribution system is at par with normal distribution system of IJHBVN and officers / officials have full access of each consumer. It is not a gated society.

The Commission took cognizance of the issue raised by METL and directs UHBVN to file its Comments/ reply to the representation of METL with in four (4) weeks"

7.18 In response to the above order of Hon'ble Commission, UHBVN submitted its reply vide Memo No. Ch.40/SE/Mou.429 dated 2nd December 2025, copy of which was handed over to the Company only on 4th December, 2025 during the hearing before the Hon'ble Commission.

7.19 As per the directions of this Hon'ble Commission, the Petitioner has filed the present petition with a prayer:

(a) Clarify and declare that the provisions relating to installation of reference meters, namely Regulation 4.3 of the Regulations, 2020 and Regulation 3.9 of the HERC Regulations, 2016, are not applicable to the plotted colonies being developed by 09 the

Petitioner, considering their peculiar nature i.e. same are not enclosed by a boundary wall and do not have restricted entry or exit points;

IN THE ALTERNATIVE:

Relax and/or remove the difficulty that has arisen in the implementation of Regulation 4.3 of the HERC Regulations, 2020 and Regulation 3.9 of the HERC Regulations, 2016, in the peculiar facts and circumstances of the present case; AND

(b) Hold and declare that no penalty/ charges are payable by the Petitioner for any variation in energy consumption, as such variation, cannot be construed as unauthorized use of electricity on the part of the Petitioner; AND

(c) IN THE INTERIM, pending adjudication of the present Petition, the Hon'ble Commission may kindly direct the Respondent-UHBVN not to raise or enforce any demand against the Petitioner towards alleged excess consumption;

(d) Pass such other and further order(s) as this Hon'ble Commission may deem fit and proper in the facts and circumstances of the present case.

Our Submissions

7.20 The regulations of multi point connection provide that an energy difference of up to 4%, in case of supply up to 11 kV, and up to 5%, in case of supply at higher voltage, between 'A' and 'B', to be worked out as {(A-B) x 100}/A, shall be permissible towards transformation and lor LT losses. In case the difference in energy consumption as above for any billing cycle works out to be higher than 4% / 5%, it will be presumed to be on account of unwarranted/unauthorized use of electricity within the GHS and the GHS/ Developer/Residents Welfare Association shall be liable to pay for the difference in energy consumption over and above 4%/5% at the rate of energy charges as applicable for the highest slab under Domestic Supply category.

The above regulation has broken the loss into:

(i) Energy difference of up to 4%, in case of supply up to 11 kV, and up to 5%, in case of supply at higher voltage (between reference meter reading and total of readings of all multi point connections), shall be permissible towards transformation and lor LT losses;

(ii) In case the difference in energy consumption as above for any billing cycle works out to be higher than 4% / 5%, it will be presumed to be on account of unwarranted/unauthorized use of electricity within the GHS

Our submission is that after commissioning of the entire electrical infrastructure and handing over to the Respondent, which is operating and managing thereafter, the petitioner cannot be asked to pay transformation and LT losses.

Commissioning certificate

We have commissioned 61 no of feeder pillars, 26 no of RMU, 35 no of CSS (311000 KVA and 3- 630 KVA & 2-500 KVA) at (project location). All CSS, RMU and feeder pillars are commissioned and working in good condition and locked properly.

Handing over certificate

It is certified that the work electrical distribution network for (project name) has been executed by (name of contractor) and electrical distribution network 26 no of RMU, 8 no of CSS (31- 1000 KVA and 1- 630 KVA & KVA) and 61 no of feeder pillars has been successfully commissioned on (date).

Copies of all commissioning as well as handing over certificates are enclosed.

The term "unauthorised use of electricity" means the usage of electricity

i. by any artificial means; or (ii) by a means not authorised by the concerned person; or
ii. authority or licensee; or
iii. through a tampered meter; or
iv. for the purpose other than for which the usage of electricity was authorised; or
v. for the premises or areas other than those for which the supply of electricity was authorized. "

The case of Petitioner does not fall in any of the above categories.

Further to the above, since the Respondent has provided all the multiple connections to the residents in plotted residential colony and raising the energy consumption bills and collecting the payments directly, if there's any unwarranted or unauthorized use of electricity, the same has to be controlled and monitored by the Respondent as the Petitioner has no control of whatsoever nature on such residents.

7.21 Our next submission is that the rationale for single point with reference meter regulations are applicable only where the entire colony is bounded by boundary wall in such a manner that Nigam officials has no free access to the consumers within the colony and thus unable to control un-authorised use.

Since these regulation are applicable to group housing societies, it is important to understand the definition of this term given in the regulations as under:

The term 'Group Housing Society' for the purpose of above Regulation shall mean a residential complex owned/managed by a Co-operative Group Housing Society registered with the Registrar Co-operative Societies, Haryana or the Societies registered under Societies Act, 1860 and for the sake of brevity the definition <u>includes residential or residential cum commercial complex developed by a Developer and approved by an appropriate authority</u>

That the objective behind the aforesaid Regulations mandating installation of a Reference Meter is to prevent unauthorised use of electricity by residents, particularly in situations where the

Respondent-Discom does not exercise control over the internal electrical infrastructure of a colony.

Our case

However, it is the case of the Petitioner herein that the plotted residential colony being developed by the Petitioner is peculiar in nature. The colony is not enclosed by any boundary wall, nor its access restricted in any manner. There is free and continuous ingress and egress, including by persons residing outside the colony, who use the internal roads as a passage to access their own land situated within the larger development area. In effect, the present arrangement is akin to individual residential houses that are not part of a gated or controlled colony.

Thus, the plotted development of the Petitioner is neither a group housing development nor the Petitioner a group housing society.

The Township developed by the Petitioner is largely plotted colony with industrial, residential and commercial plots. There are lot of Panchayat rastas and dhana (water course) within the Township. In addition, as per regulations of the Department of Town & Country Planning, the Petitioners have provided two karam rasta (access), where there is no Panchayat rasta. All the projects/phases are not bounded by boundary wall and do not have restricted entry. As such, there is continuous entry/exit of people living outside plotted colony and having their land inside our development as a thoroughfare.

In such circumstances, the requirement of installation of a Reference Meter does not arise.

We again enclose maps showing such rastas and dhanas and water courses criscrossing the plotted residential colony which shows that this is open and there is free access to Nigam officials and in addition to public at large.

Our Prayer

Under regulation 58, the Hon'ble HERC has the power to remove difficulties.

A. We are not seeking amendment in the regulations but a suitable clarification from this Hon'ble Commission that the provisions of regulations namely regulation no 4.3 of Regulation of 2020 and 3.9 of Regulation of 2016, in view of unique nature of Petitioner plotted residential colonies, for the single point connection with reference meters are not applicable to such plotted residential colonies of Petitioner.

B. Direct the Respondent to cancel/withdraw its notice for short assessment raised, vide Memo no. 4671 dared 25th March, 2026 and any subsequent notice issued by the Respondent.

8. **Written Submissions of Respondent received on 15/07/2026:**

A. <u>BRIEF FACTS OF THE CASE:</u>

8.1 That the present petition has been filed by the Petitioner- Model Economic Township Limited ("METL") has now filed the present petition seeking a declaration that the provisions relating to Reference

Meter under the following Regulations are not applicable to colony being developed by the Petitioner:

a. HERC (Duty to supply electricity on request, power to recover expenditure incurred in providing supply and power to require security) Regulations, 2016 ("Regulations, 2016"); and

b. HERC (Single Point Supply to Employers' Colonies, Group Housing Societies and Residential or Residential cum Commercial/ Commercial Complexes of Developers and Industrial Estates/ IT Parks/ SEZ) Regulations, 2020 ("Regulations, 2020").

The Petitioner has stated that the colony being developed by the Petitioner is not "bounded by walls" or does not have "restricted entry."

8.2 That in this regard, it is submitted that the contention raised by the Petitioner is factually incorrect, as is evident from the photographs of the plotted colony annexed as Annexure R-1 (Colly.) to the Reply filed by the Respondent, which clearly depict the existence of perimeter fencing, manned security gates, boom barriers, and controlled entry/exit points at various locations within the township, features entirely consistent with a gated and restricted-access colony within the contemplation of the Regulations.

8.3 That, it is further submitted that there a number of separate plotted colonies in the township being developed by the Petitioner. The details of the reference meters and the details of the said colonies are as under:

Sl.	Name of Pocket	No. of Reference Meter	Pocket Sanctioned Load	No. of consumers	Connected Load
1.	L-Pocket	1	249 kW	169	669.7 kW (LT Side)
2.	J&K Pocket	1	1500 kW	40	214.7 kW
3.	C&D Pocket	1	2000 kW	30	463.7 kW
4.	Sector-8 Pocket	1	261 kW	2	New Consumer
5.	Sector 2-A	1	51 kW	5	New Consumer
6.	Street 3, Sector 21 (Acre) Habitate	2	261 kW	0	0

It is pertinent to mention here that separate meter for the Common Area have also be installed.

B. SCHEME, OBJECT AND LEGISLATIVE INTENT OF THE REGULATIONS:

8.4 The Reference Meter has been installed in compliance with Regulation 3.9 of the Regulations, 2016, reproduced below for ready reference:

"3.9 Single Point Supply, The Employers seeking new electricity connections for their Colonies which are bounded with walls, have restricted entry, having 20 (twenty) or more residential units and irrespective of connected load shall be given Single Point Supply by

the distribution licensee at 11 kV or higher voltage, depending upon the feasibility, for making electricity available to the employees residing in the Colony and for common services/ non-domestic loads. Distribution of electricity within the Colony shall be owned and managed by the Employer.

All Group Housing Societies (GHSs) seeking new electricity connections which are bounded with walls, have restricted entry, having 20 (twenty) or more residential units and irrespective of connected load shall have the following two options for supply of electricity by the distribution licensee to the GHS.

Option-1: Supply of electricity at a Single Point to the GHS at 11 kV or higher voltage depending upon the feasibility under Bulk Supply (Domestic) schedule of tariff.

Option-2: Individual electricity connections to the residents/members and for common services/Non-Domestic Supply loads under relevant schedules of tariff. A reference meter shall be installed by the distribution licensee at its cost at the incoming supply point of the GHS. The total energy consumption of the electricity recorded at the incoming supply point of the GHS as per reference meter (say 'A') shall be compared with the total electricity consumption of all the residents/members residing in the GHS as per their individual meter readings plus the consumption for the common services/other non-domestic loads as per readings of relevant meters (say 'B') for each billing cycle. An energy difference of up to 4%, in case of supply up to 11 kV, and up to 5%, in case of supply at higher voltage, between 'A' and 'B', to be worked out as {(A-B) x 100}/A, shall be permissible towards transformation and/or LT losses. In case the difference in energy consumption as above for any billing cycle works out to be higher than 4%/5%, it will be presumed to be on account of unwarranted/unauthorized use of electricity within the GHS and the GHS/Developer/Residents Welfare Association shall be liable to pay for the difference in energy consumption over and above 4%/5% at the rate of energy charges as applicable for the highest slab under Domestic Supply category.

All the terms and conditions specified in the Haryana Electricity Regulatory Commission (Single Point Supply to Employers' Colonies, Group Housing societies and Residential or Commercial cum Residential Complexes of Developers) Regulations, 2013 shall be applicable.

....

The term 'Group Housing Society' for the purpose of above Regulation shall mean a residential complex owned/managed by a Co-operative Group Housing Society registered with the Registrar Co-operative Societies, Haryana or the Societies registered under Societies Act,1860 and for the sake of brevity the definition includes residential or residential cum commercial complex developed by a Developer and approved by an appropriate authority."

Similarly, the Regulations, 2020 provides as under:

"4.3 In case the GHS opts for release of individual electricity connections by the distribution licensee to its residents/members and for common services/NDS load, if any, as per clause 4.1(b), the GHS will be obliged to furnish an undertaking to the distribution licensee, in the Form enclosed as Annexure-1, and shall give their acceptance to the conditions laid down as per Annexure-1,
(a) The Distribution Licensee shall provide and install a single reference meter at the incoming supply point at its own cost to measure consumption of electricity of the loads within the GHS.
(b) The readings of reference meter and all individual meters within the GHS shall be taken on the same day for each billing cycle by the distribution licensee in the presence of the security guard or a representative of the GHS.
(c) The total energy consumption of the electricity recorded at the incoming supply point of the GHS as per reference meter shall be compared with summation of the electricity consumption of all the members residing in the GHS as per their individual meter readings and the consumption for the common services/other non-domestic loads as per readings of relevant meters for each billing cycle. An energy difference of 4%, in case of supply up to 11 kV, and 5%, in case of supply at higher voltage, shall be permissible towards transformation and distribution losses. In case the difference in energy consumption as above for any billing cycle works out to be more than 4%/5% as the case may be, the GHS shall be liable to pay for the difference in energy consumption over and above 4%/5% at the rate of energy charges as applicable for the highest slab under Bulk Supply (DS) category.
(d) The distribution licensee shall raise bill for the energy difference for each billing period on the GHS and the same shall be payable by the GHS. If payment is not made within the due date, late payment surcharge, as applicable, shall be leviable. In case of non-payment of the bill for the energy difference for two consecutive billing cycles, supply to GHS may be disconnected from the single point energy meter (reference meter). The supply will be restored only after clearance of the dues for energy difference along with the surcharge and applicable reconnection charges."

8.5 That Regulation 3.9 of the Regulations, 2016 and Regulation 4.3 of the Regulations, 2020 apply, in terms, to *"Colonies"* and *"Group Housing Societies (GHSs)"* which are *"bounded with walls"* and *"having restricted entry."* Regulation 2(3) of the Regulations, 2020 defines "Colony" in the widest possible terms to mean "*an area of land divided or proposed to be divided into plots or flats of residential, commercial, industrial, cyber city or cyber park purposes…"*, a definition that self-evidently and directly captures the Petitioner's plotted residential colony forming part of MET City. Similarly, the definition of *"Group Housing Society"* under the Regulations, 2016 expressly extends to "*residential or residential cum commercial complex developed by a Developer and approved by an appropriate authority,"*. As such, the plotted colonies being developed by the Petitioner fall within the definition of the *"Group Housing Society"*. The Petitioner does not, and cannot, dispute that its colony is a "Colony"/"GHS" within this statutory meaning, its sole defence is that the colony is not "bounded" or does not have "restricted entry".

8.6 That the reasoning behind the aforesaid Regulations was that the officers/officials of the distribution licensees do not have free/unhindered access to the premises of the residents of these GHSs/Colonies/Complexes on account of restricted entry through security gates manned by security personnel. In the absence of free/unhindered access to the premises of the residents, the officers/officials of the distribution licensee cannot effectively take the steps required for reduction in commercial losses. This leads to an increase in commercial losses of the Distribution Licensees, and ultimately affects the interests of honest electricity consumers of the State of Haryana, who are compelled to bear the burden of such losses through higher tariffs.

8.7 That the Petitioner's central premise, that no loss whatsoever ought to be attributed to it merely because the upstream infrastructure (transmission lines, the 220/33 kV sub-station and 33/11 kV sub-stations) has been handed over to the Respondent, is contrary to the very object of the Regulations. The 4%/5% tolerance band is not a penalty, it is a reasonable, regulation-mandated allowance for transformation and LT losses inherent in any distribution system, whether that system is owned by a DISCOM ab-initio or has been handed over by a developer post-commissioning. Losses beyond that band, as per the Regulations are *"presumed to be on account of unwarranted/unauthorized use."*

8.8 That further, 'Open Township' plea raised by the Petitioner is misconceived. The Petitioner's reliance on Panchayat rastas, the STP channel, and public roads passing through other parts of the Township, to contend that no boundary can legally exist anywhere within a 2,379-acre development is misconceived. In the present case, only the residential pockets wherein the reference meters have been installed, as detailed in the table above, may kindly be looked into. The Petitioner has no raised any submission as whether the specific plotted colonies are open and have public roads/ panchayati rastas running through all the plotted colonies. A developer cannot escape its responsibility by referring to the overall layout of a large township when the responsibility concerns distinct, gated residential communities located within it.

C. <u>THE POWER OF RELAXATION/REMOVAL OF DIFFICULTY CANNOT BE EXERCISED TO AMEND THE REGULATIONS FOR THE BENEFIT OF A SINGLE DEVELOPER.</u>

8.9 That the Hon'ble Supreme Court in the case of *M.U. Sinai v. Union of India, [(1975) 2 SCR 640]*, had laid down that the existence of a difficulty is the sine-qua-non for the exercise of such a power, the difficulty contemplated must be a difficulty arising in giving effect to the provisions of the Regulations, and not a difficulty arising aliunde, or an extraneous difficulty such as commercial hardship. The relevant para of the judgment is reproduced below:

"The existence or arising of a difficulty is the sine qua non for the exercise of power. If this condition precedent is not satisfied as an objective fact, the power under this clause cannot be invoked at all. Again, the difficulty contemplated by the clause must be a difficulty arising in giving effect to the provisions of the Act and not a difficulty arising all under, or an extraneous difficulty. In no case, can it, under the guise of removing a difficulty change the scheme and essential provisions of the Act."

Similarly, Ld. CERC in Petition No. 267/MP/2017 titled *Tamil Nadu Generation and Distribution Corporation Ltd. Vs. NLC India Limited & Ors.* wherein the Ld. CERC, while referring to the judgments passed by the Hon'ble Apex Court as well as Hon'ble APTEL, has observed as under:

"2. The petitioner in its plea has submitted that it has been under financial stress due to the unscheduled infirm power injection by non-conventional energy sources in the State of Tamil Nadu and has filed this petition seeking relief under following grounds … … …

… … …

29. It is the settled law that the power to remove difficulties is conferred upon the Commission to remove difficulties in implementation of provisions of a Regulation and does not include the power to amend the Regulations. In addition to above, the said power to remove difficulty can be exercised to the extent necessary only for giving effect to a particular Regulation. The Tribunal in its judgment dated 25.3.2011 in Appeal No.130 of 2009 (RGPPL V CERC &ors) had held that the power to remove difficulties is to be exercised when there is difficulty in effecting the Regulations and not when difficulty is caused due to application of the Regulations.In M.U.SinaiVs Union of India (1975) 2 SCR 640, the Supreme Court had held as under:-

"The existence or arising of a difficulty is the sine qua non for the exercise of power. If this condition precedent is not satisfied as an objective fact, the power under this clause cannot be invoked at all. Again, the "difficulty" contemplated by the clause must be a difficulty arising in giving effect to the provisions of the Act and not a difficulty arising all under, or an extraneous difficulty. Further, the Central Government can exercise the power under the clause only to the extent it is necessary for applying or giving effect to the Act etc., and no further. It may slightly tinker with the Act to round off angularities, and smoothen the joints or remove minor obscurities to make it workable, but it cannot change, disfigure or do violence to the basic structure and primary features of the Act. In no case, can it, under the guise of removing a difficulty change the scheme and essential provisions of the Act."

8.10 That during the course of hearing, the Ld. Counsel for the Petitioner submitted that since the Regulations relating to the reference meter are not applicable to sectors developed by Haryana Shehri Vikas Pradhikaran (HSVP) and other similar government entities, the same

ought not to be made applicable to the Petitioner. It was further argued that since the land in question would ultimately be handed over to the Municipal Corporation, the requirement of a reference meter and the payment obligations flowing therefrom could not be fastened upon a Developer who has handed over the land to the MC.
In this regard, it is submitted that the Petitioner cannot seek to place itself on the same footing as HSVP so as to claim any implied exemption or special treatment under the applicable regulatory framework. It is submitted that HSVP is a statutory authority constituted under the Haryana Urban Development Authority Act, 1977 (renamed HSVP in 2017), entrusted with the discharge of public functions relating to the planned urban development of the State. Its powers, functions and obligations flow from a statutory framework enacted in furtherance of public purpose, and it constitutes an instrumentality of the State within the meaning of Article 12 of the Constitution of India. The Petitioner, on the other hand, is a private commercial developer executing a licensed real estate project for commercial consideration. Further, and in any event, it is admitted that the colony is presently in the development phase, as is evident from the number of consumers reflected in the table above, and that the common areas etc. have not, as yet, been handed over to the Municipal Corporation. In these circumstances, no relief can be granted to the Petitioner on the basis of an anticipated future contingency/ future difficulty.
PRAYER
In light of the submissions made hereinabove it is most respectfully prayed that this Hon'ble Commission may be pleased to dismiss the present petition being bereft of merit, in the interest of justice.

Commission's Order:

1. The Commission examined the petition in detail along with the reply, and rejoinder on record and heard the arguments of the Petitioner and Respondents in the above matter.
2. The petitioner sought relief from the mandatory installation of reference meters and the consequential liability for energy differences exceeding prescribed limits in a large-scale plotted township. The primary issue concerns whether the regulatory framework governing Group Housing Societies (GHS), specifically Regulation 4.3 of the 2020 Regulations, can be strictly applied to a 2,059-acre integrated township that lacks a continuous boundary wall and includes public thoroughfares. The Petitioner asserts that the township is peculiar because it is traversed by Panchayat rastas (village paths), dhanas (water courses), and STP channels owned by the Irrigation Department, which necessitates open

access for local farmers and officials, thereby breaking any potential continuous boundary.

3. The Petitioner challenges the provision, which states that any energy difference exceeding 4% (for supply up to 11 kV) or 5% (for higher voltage) between the reference meter and individual meters is presumed to be "unwarranted/unauthorized use of electricity" for which the developer is liable. The Petitioner argued this provision is inconsistent with the statutory definition of “unauthorised use of electricity” under Explanation (b) to Section 126 of the Electricity Act, 2003, which requires a demonstrable act of illegality like meter tampering or artificial abstraction, rather than a mere technical or mathematical variation in energy readings.
4. The Respondent UHBVN contended that the Petitioner is estopped from seeking relief because it voluntarily opted for "Option-2" under Regulation, which provides for individual connections alongside a reference meter. The Respondent maintains that the township is indeed "bounded and gated" based on selectively presented photographs and argued that Regulation 4.3 of the 2020 Regulations applies to any developer opting for individual connections, regardless of whether a boundary wall exists.
5. Further, the Respondent submitted that the Petitioner’s grievance is purely financial and does not constitute a "difficulty" in implementing the regulations. They cite the judgment in Tamil Nadu Generation and Distribution Corporation Ltd. Vs. NLC India Limited & Ors. (CERC Petition No. 267/MP/2017) and the Supreme Court's ruling in M.U. Sinai vs. Union of India [(1975) 2 SCR 640], which held that the power to remove difficulties is a "sine qua non" for exercise only when a difficulty arises in giving effect to the provisions of the Act, not as a means to circumvent established regulations for financial gain. The Respondent also relies on a prior HERC order dated 26/06/2019 (Petition No. 13 of 2018) involving the Haryana Chamber of Commerce and Industries, where the Commission refused to relax regulations in an adjudicatory framework.
6. The Petitioner’s rejoinder clarified that it never furnished the requisite undertaking in the form prescribed under Annexure-1 of the 2020 Regulations, which is a mandatory trigger for the obligations under

Regulation 4.3 to apply. The Petitioner further highlighted that the entire electrical infrastructure, including the 220/33 kV substation and 33/11 kV substations, has been commissioned in terms o fthe approved electrification plan and formally handed over to the Respondent for exclusive operation and maintenance.

7. The Petitioner argued that any "unauthorized use" or technical loss occurring within a system controlled entirely by the Respondent cannot be legally fastened upon the Developer. Further, the Petitioner points to the First Amendment to the 2013 Regulations (HERC/27/2014 dated 14/10/20214), which stipulates that these regulations shall not apply to consumers who opt for pre-paid meters. The Respondent has allegedly failed to operationalize such meters for over eleven years. The Petitioner also raised a practical "difficulty" regarding Regulation 4.3(b), which mandates that meter readings for the reference meter and all individual meters—projected to reach 20,000 units—must be taken on the "same day," a task they describe as physically and operationally impossible in a sprawling township.
8. The Commission Observes that the "Reference Meter" regime was originally conceived for gated societies where the distribution licensee lacks free and unhindered access to residents. In the present case, the presence of public roads and the Respondent's full-day presence at the onsite complaint center and substations demonstrate that access is not restricted. The Petitioner's liability for demands raised, such as the notice dated 02/03/2026, hinges on regulations that require a level of developer control over the infrastructure that no longer exists following the handover to UHBVN.
9. After considering the facts and circumstances of the present case, the Commission, therefore, allows the petition with the following directions:
   9.1 Holds that the provisions relating to the installation and operation of the Reference Meter under Regulation 4.3 of the Regulations, 2020 are not applicable to the Petitioner's integrated plotted township, where unrestricted access is available to the Distribution Licensee and the

entire distribution infrastructure has already been handed over to and is under the exclusive operation and maintenance of the Respondent. Further, residents within the plotted township have applied individually to the Distribution Company for electricity connections, and the Distribution Company has released individual connections to those applicants.

9.2 The Respondent is directed not to insist upon installation or operation of the Reference Meter in the Petitioner's township. Consequently, all demand notices and claims raised solely on the basis of energy variation determined under the Reference Meter mechanism, including the impugned demand notice dated 02.03.2026, are hereby set aside, quashed and withdrawn, such energy variations, in the facts of the present case, not constituting or giving rise to a presumption of unauthorized use of electricity within the meaning of Section 126 of the Electricity Act, 2003.

10. The petition is disposed of, in above terms.

This order is signed, dated and issued by the Haryana Electricity Regulatory Commission on 22/07/2026.

		Sd/-	Sd/-
Date:	**22/07/2026**	**(Shiv Kumar)**	**(Mukesh Garg)**
Place:	**Panchkula**	**Member**	**Member**