

**BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION AT
PANCHKULA**

Case No. HERC/P. No. 44 of 2026

Date of Hearing : 09/07/2026

Date of Order : 22/07/2026

IN THE MATTER OF:

Petition under Regulation 8 (Power to Give Directions) of the HERC (Duty to Supply Electricity on Request, Power to Recover Expenditure Incurred in Providing Supply and Power to Require Security) Regulations, 2016 ("Duty to Supply Regulations"), read with Regulations 65, 66 and 67 of the HERC (Conduct of Business) Regulations, 2019, seeking declaratory clarification regarding the applicability and interpretation of Regulation 4.16 of the Duty to Supply Regulations, as introduced vide the 2nd Amendment dated 27.09.2023.

Petitioner

Dakshin Haryana Bijli Vitran Nigam Limited (DHBVNL) Vidyut Sadan,
Vidyut Nagar, Hisar.

Present

On behalf of the Petitioner

1. Sh. Raheel Kohli, Advocate
2. Sh. S.S. Sangwan, CE
3. Sh. Vikas Mohan Dahiya, SE
4. Sh. Mukesh Kumar, XEN
5. Sh. Pankaj Panwar, XEN

QUORUM

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

ORDER

1. Petition:

The Petitioner, Dakshin Haryana Bijli Vitran Nigam Limited, most respectfully states and submits as under:

- 1.1 The Petitioner, Dakshin Haryana Bijli Vitran Nigam Limited ("DHBVN"), is a company incorporated under the Companies Act, 1956 and is a distribution licensee within the meaning of Section 14 of the Electricity Act, 2003. The Petitioner is engaged in the business of distribution and retail supply of electricity in the southern circles of the State of Haryana, including the districts of Faridabad, Palwal,

Gurugram, Nuh, Rewari, Mahendergarh, Bhiwani, Dadri, Hisar, Hansi, Sirsa, Fatehabad and Jind.

- 1.2 It is respectfully submitted that the present Petition is being filed seeking clarification regarding the applicability and interpretation of Regulation 4.16 introduced vide the 2nd Amendment dated 27.09.2023 to the Duty to Supply Regulations, 2016, particularly in relation to pre-existing villages and legacy/unplanned colonies situated within the geographical limits of the notified 33 kV Pilot Project Belt areas. The Petitioner seeks an official clarification from this Hon'ble Commission so as to ensure regulatory certainty and smooth implementation of the approved infrastructure works under the RDSS scheme, without any ambiguity regarding the scope and applicability of the aforesaid provision.

STATUTORY AND REGULATORY FRAMEWORK

- 1.3 On 11.07.2016, the Hon'ble Commission notified the Duty to Supply Regulations, 2016 prescribing, *inter alia*, the manner in which a distribution licensee is to discharge its statutory duty to supply electricity on request and the principles governing recovery of expenditure incurred for providing such supply.
- 1.4 Subsequently, vide Notification dated 27.09.2023, the Hon'ble Commission notified Regulation No. HERC/34/2016/2nd Amendment/2023 ("2nd Amendment Regulations, 2023") thereby inserting Clause 4.16.1 in the Duty to Supply Regulations, 2016. The said Clause introduced a Special provision for the Pilot Project in new Sectors 58-115 and Sector 37-C & 37-D of Gurugram, new sectors of Faridabad and areas falling on the left side of Delhi - Jaipur highway in Dharuhera, defining these areas collectively as the "33 kV Pilot Project Belt / 33 kV PPB". A copy of Regulation No. HERC/34/2016/2nd Amendment/2023 dated 27.09.2023 (published in the Haryana Government Gazette on 03.10.2023) is annexed.
- 1.5 Clause 4.16.1 (System Voltage) of the 2nd Amendment Regulations, 2023, which is the principal provision in issue, reads as under:
"Notwithstanding anything else contained in these regulations, the licensee shall release all electricity connections in configuration of 220/33/0.4 kV in new Sectors 58 - 115 and Sector 37C & 37D of Gurugram, new sectors of Faridabad and areas falling on the left side of Delhi - Jaipur highway in Dharuhera ("33 kV Pilot Project Belt / 33 kV PPB")."

FACTUAL MATRIX

- 1.6 It is submitted that the new sectors of Faridabad notified within the 33 kV Pilot Project Belt are not isolated greenfield areas. Adjoining and surrounding the said newly notified sectors are a large number of pre-existing revenue villages and unplanned / legacy colonies ("Legacy Areas"), which were inhabited and electrified long prior to the notification of the 2nd Amendment Regulations, 2023. The Legacy Areas are neither part of any licensed colony nor developed under any scheme of any Builder / Developer / HSVP.
- 1.7 The Legacy Areas are presently being supplied through the conventional 11/0.4 kV distribution system, fed via long 11 kV feeders

emanating from distant 66/11 kV substations. The aggregate connected/peak load of these areas in Faridabad is of the order of approximately 80-90 MVA. The said feeders are heavily loaded, leading to (i) overloading of the source 66/11 kV substations; (ii) voltage regulation issues at the consumer end; (iii) higher technical losses; and (iv) reliability constraints, thereby adversely impacting the quality and continuity of supply to a large body of ordinary consumers.

- 1.8 In order to mitigate the said operational constraints and to ensure reliable and quality power supply to the Legacy Areas through shorter and adequately rated 11 kV feeders, the Petitioner, has proposed the creation of four (4) new 33/11 kV substations at identified locations in Faridabad. The said substations are intended exclusively for supply to the Legacy Areas and shall not cater to the load of any developer/builder or planned/licensed colony area covered under the 33 kV Pilot Project Belt scheme.
- 1.9 It is submitted that the Legacy Areas in question are presently being supplied through long, radial 11 kV feeders emanating from distant 66/11 kV substations, in some cases located 10 to 12 kilometres away from the load centre. The said long-length feeders have led to the following operational difficulties on a continuing basis:
 - (a) High technical losses on account of the disproportionately long feeder length and heavy current loading;
 - (b) Poor voltage regulation at the consumer end, with consumers frequently receiving supply at sub-optimal voltage levels, particularly during peak load hours of summer;
 - (c) Frequent and prolonged outages caused by feeder-level faults, breakdowns, and trippings, since a single fault on a long feeder affects all the villages downstream;
 - (d) Higher operation and maintenance (O&M) cost for the Petitioner, on account of patrolling, fault-rectification, conductor replacement and pole maintenance over long stretches of feeder; and
 - (e) Overloading of the source 66/11 kV substations, which are presently catering both to their planned load and to the additional load of these villages over long feeders, thereby reducing the headroom available for future load growth.
- 1.10 Therefore, the creation of dedicated substations in the Legacy Areas closer to the load centre will (i) drastically shorten the 11 kV feeder length, (ii) reduce technical losses, (iii) improve voltage regulation, (iv) reduce the frequency and duration of outages, (v) bring down O&M cost, and (vi) decongest the existing 66/11 kV source substations.
- 1.11 A consolidated village-wise statement, setting out, in respect of each of the proposed 33/11 kV substations, the villages/colonies presently being fed, the existing source 66/11 kV substation, and the proposed source 33/11 kV substation, is set out in the Table below for the kind perusal of the Hon'ble Commission:

S. No.	Legacy Areas	Presently fed from	Proposed new source
1.	Village Bhatola, Redwood, Zion, Village Fridpur, Sawastik Colony, Nagar Colony, Bhatola Market, Some area of Bihari Market, Village Badoli, Village Praladpur, Badoli Mandir, Ashram Area.	66/11 kV Ford and 66/11 kV Sector 18 A4	33/11 kV Sector 79
2.	Village Kheri Kalan, Village Kheri Khurd and Colonies, Gopi Chand Chowk, Amar Bhatta Colony, Ramgarh Colony, Surajmal Colony, Farous-I & II, Adore Society, Emerald Society & Radha Mandir Colony, Bhupani Colony, Agriculture Area of Kheri Kalan.	66/11 kV Sector 31, 66/11 kV Sector 18 A4 and 66/11 kV Bhupani	33/11 kV Sector 84
3.	Amolik Chowk un-authorized old shops, New Hari Nagar, Devilal Dairy Yojna Colony, Kachha Rasta Kheri Road, Shree Ram Colony, Tigaon Road Market, Shree Ram Enclave, Sai Vihar Colony, Village Bhudena, Bihari Market, Divine Ashram, Bharam Jeet Market, Vipul Palaza Area, Bharat Colony, Kheri Road, 45 feet Road, 35 Feet Road, Hanuman Nagar Gali No. 1 to 10.	66/11 kV Sector 18 (A4)	33/11 kV Sector 86
4.	Shiv Sakti Enclave, 44 foot road, Yamuna Encalve, Girdawal Enclave, G-Block Girdawal Enclave, Ajay Nagar, Titu Colony, Foji Colony, New Bharat Colony, New Hanuman Nagar, New Bharat Colony Part -I, Irrigation Pump House, Bhopal Colony, Village Wazirpur, DC Enclave, 30 MLD & 45 MLD Badsapur, Pawai Village.	66/11 kV Sector 31 and 66/11 kV Sector 18 A4	33/11 kV Sector 88

1.12 The proposal for the four (4) new 33/11 kV substations in Faridabad forms part of the Detailed Project Report dated 01.08.2024 ("DPR"), i.e., Infra Upgradation & Automation in Gurugram & Faridabad prepared by Power Finance Corporation Limited ("PFC") and DHBVN under the Revamped Distribution Sector Scheme (RDSS), Ministry of Power, Government of India. The DPR was approved by the RDSS

Monitoring Committee, under the chairmanship of the Secretary (Power), Government of India, in its meeting held on 14.08.2024, sanctioning a project cost with corresponding Government Budgetary Support, as conveyed by PFC vide letter dated 16.08.2024. A copy of PFC letter dated 16.08.2024 conveying approval of the RDSS Monitoring Committee, Ministry of Power, Government of India is annexed.

- 1.13 The DPR was approved by the Distribution Reforms Committee ("DRC"), Government of Haryana, in its meeting held on 27.12.2024. Thereafter, on 05.05.2025 it was finally accorded approval by the Council of Ministers (Cabinet), Government of Haryana. The proposed substations are therefore not a stand-alone initiative of the Petitioner but a sovereign-funded scheme. Any compelled migration to the 220/33/0.4 kV architecture would unsettle this framework of approvals and jeopardise the entire Government Budgetary Support already sanctioned thereunder. A copy of the Minutes of Meeting of the Distribution Reforms Committee (DRC), Government of Haryana, dated 27.12.2024 is annexed. A copy of Decision of the Council of Ministers (Cabinet), Government of Haryana, dated 05.05.2025 is annexed.
- 1.14 Pursuant thereto on 01.05.2026 a duly constituted DHBVN Committee deliberated upon the said proposal, and, recommended that the establishment of four (4) new 33/11 kV substations along with associated 11 kV infrastructure strengthening is the most viable option for sustainably catering to the load of the existing villages and colonies.

CIRCUMSTANCES WARRANTING REGULATORY CLARIFICATION

- 1.15 It is most respectfully submitted that the present Petition is being filed out of abundant caution and with the bona fide object of obtaining a declaratory and binding clarification from this Hon'ble Commission, so as to forestall any anomalous or contrary interpretation at a later stage, whether in audit, inspection, regulatory review or otherwise, and to ensure timely, smooth and uninterrupted development of the electrical infrastructure in the Legacy Areas.
- 1.16 It is submitted that the works in the Legacy Areas are proposed to be undertaken through the process of tendering, which would necessarily entail commercial and financial implications. Accordingly, before initiating and awarding such works in the Legacy Areas, the Petitioner considered it appropriate to approach this Hon'ble Commission seeking regulatory certainty and clarification regarding the applicability of Clause 4.16 of the Duty to Supply Regulations, 2016, so that at no future stage the Petitioner may be perceived as having acted contrary to the prevailing regulatory framework.
- 1.17 The present Petition is being filed seeking clarification from this Hon'ble Commission on the following aspects and circumstances:
- A. It is respectfully submitted that, on a plain, contextual and purposive reading of Clause 4.16 of the Duty to Supply Regulations, 2016 (as inserted by the 2nd Amendment Regulations, 2023), the said provision appears to principally address planned/licensed colonies and projects

being developed by Builders / Developers / HSVP. The overall scheme of the provision does not appear to contemplate its application to the Legacy Areas.

- B. It is further submitted that the heading of Clause 4.16 itself is “Special provision for the Pilot Project”. The expression “Pilot Project” inherently denotes a planned and identified development framework. The same is further reinforced by Clause 1.2 of the 2nd Amendment Regulations, 2023, which provides that the amendments “shall apply only to the Pilot Project”, thereby indicating a distinct project-based application rather than a universal obligation requiring migration of all existing consumers within the geographical area to a 220/33/0.4 kV architecture.
- C. It is respectfully submitted that the 220/33/0.4 kV architecture contemplated under Clause 4.16 appears to have been designed keeping in view planned licensed colonies, group housing projects, commercial complexes and industrial developments being undertaken by Builders / Developers / HSVP. The said framework presupposes: (i) availability of planned layouts, designated utility spaces and right-of-way for 33 kV infrastructure, (ii) availability of land parcels for establishment of switching stations; and (iii) existence of an identifiable developer/entity capable of executing and financing the required infrastructure. By contrast, the Legacy Areas lack such planning attributes and infrastructural readiness. Such areas are characterised by organically developed habitation patterns, narrow lanes, absence of earmarked utility spaces and lack of any single development agency capable of implementing or financing the required 33 kV infrastructure.
- D. It is submitted that implementation of a 33/0.4 kV architecture for the Legacy Areas may not be technically or financially feasible in practical terms and may also affect timely discharge of the statutory duty to supply under Section 43 of the Electricity Act, 2003. In these circumstances, the conventional 11/0.4 kV system proposed to be fed from the new 33/11 kV substations appears to be the more practical and economically viable arrangement for such areas.
- E. It is further submitted that the Legacy Areas are neither structured nor financially positioned in the manner contemplated for planned developer-driven projects under Clause 4.16. Requiring such consumers to transition to a 33/0.4 kV framework, together with associated infrastructure obligations and charges, may therefore lead to substantial practical and implementation difficulties.

RELIEF SOUGHT

- 1.18 In view of the foregoing facts and circumstances, it is most respectfully prayed that this Hon'ble Commission may be pleased to:
- (a) Declare and clarify that the “33 kV Pilot Project Belt (33 kV PPB)” envisaged under Clause 4.16 of the HERC (Duty to Supply Electricity on Request, Power to Recover Expenditure and Power to Require Security) Regulations, 2016 (as inserted by Regulation No. HERC/34/2016/2nd Amendment/2023 dated 27.09.2023), pertains only to the planned/licensed areas being developed by Builders /

Developers / HSVP within new Sectors 58-115 and Sector 37-C & 37-D of Gurugram, new sectors of Faridabad and areas falling on the left side of Delhi - Jaipur highway in Dharuhera;

(b) Declare and clarify that the Legacy Areas , which are presently being supplied through the conventional 11/0.4 kV distribution system, lie outside the mandatory ambit of the 220/33/0.4 kV configuration requirement under Clause 4.16.1 of the said Regulations, and the Petitioner may continue to supply electricity to such villages and colonies through the conventional 11/0.4 kV distribution system, including from the proposed 33/11 kV substations under the approved RDSS DPR;

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

AND FOR THIS ACT OF KINDNESS, THE PETITIONER, AS IS DUTY BOUND, SHALL EVER PRAY.

Commission's Order:

1. The case was heard on 09/07/2026, Sh. Raheel Kohli counsel for the petitioner re-iterated the contents of the petition and requested to accept the petition & allow the reliefs sought.
2. The Commission examined the petition in detail and heard the arguments of the petitioner in the above matter. The Petitioner sought a clarification regarding the applicability of Regulation 4.16, introduced via the 2nd Amendment dated 27/09/2023, which established the "33 kV Pilot Project Belt" (33 kV PPB). The primary issue is whether the mandatory 220/33/0.4 kV distribution architecture prescribed for the 33 kV PPB i.e. new sectors in Gurugram, Faridabad, and Dharuhera—extends to pre-existing revenue villages and legacy unplanned colonies, or it is restricted to planned developments by builders and developers.
3. The Petitioner highlighted Regulation 1.2 of the 2nd Amendment, which specifies that the amendments apply only to the "Pilot Project," suggesting a project-based rather than a universal geographical application. The factual matrix reveals that while the 2nd Amendment was notified on 27/09/2023, and published in the Gazette on 03/10/2023, the Legacy Areas in question were electrified long before this notification using a conventional 11/0.4 kV system. These areas currently face severe operational constraints, including technical losses and poor voltage regulation, due to being fed by 11 kV feeders originating from 66/11 kV substations located as far as 10 to 12 kilometers away. The aggregate peak load of these Legacy Areas in Faridabad is approximately 80-90 MVA.

4. The Petitioner further submitted that Clause 4.16 suggests it was designed for licensed colonies and group housing projects which possess the necessary planned layouts, right-of-way, and land for 33 kV switching stations. The Legacy Areas, characterized by narrow lanes and organic growth, lack the infrastructural readiness for such a transition. Further, the Petitioner has secured approvals for four new 33/11 kV substations (specifically at Sectors 79, 84, 86, and 88) under the Revamped Distribution Sector Scheme (RDSS). The DPR was approved by the Distribution Reforms Committee ("DRC"), Government of Haryana on 27.12.2024. Thereafter, on 05.05.2025 it was finally accorded approval by the Council of Ministers (Cabinet), Government of Haryana. The proposed substations are therefore not a stand-alone initiative of the Petitioner but a sovereign-funded scheme. Any compelled migration to the 220/33/0.4 kV architecture would unsettle this framework of approvals and jeopardise the entire Government Budgetary Support already sanctioned thereunder.
5. The Commission observes while the document does not cite specific judicial precedents, it relies on the administrative approvals and the "Power to Give Directions" under Regulation 8 of the Duty to Supply Regulations to seek relief. The Petitioner's internal committee, on 01/05/2026, confirmed that the 33/11 kV substation model is the most viable option for these areas. Consequently, the petition is allowed with following directions:
 - 5.1 It is clarified that the "33 kV Pilot Project Belt" envisaged under Clause 4.16 of the Duty to Supply Regulations, as amended on 27/09/2023, shall be interpreted to apply only to the planned and licensed areas being developed by builders, developers, or HSVP within the notified sectors. This distinction is necessary because the 33 kV architecture requires urban planning and centralized development not found in legacy habitations.
 - 5.2 The Legacy Areas, including the villages and colonies identified in the Petitioner's statement such as Village Bhatola, Kheri Kalan, and others presently fed from distant 66/11 kV sources, are declared to fall outside the mandatory ambit of the 220/33/0.4 kV configuration requirement. The Petitioner is authorized to continue supplying these areas through the conventional 11/0.4 kV distribution system.
 - 5.3 The Petitioner is directed to proceed with the establishment of the four proposed 33/11 kV substations in Faridabad as per the DPR approved by the RDSS Monitoring Committee on 16/08/2024, and the Haryana

Cabinet on 05/05/2025. This will ensure the timely discharge of the duty to supply under Section 43 of the Electricity Act and improve the quality of power for ordinary consumers by shortening feeder lengths and reducing technical losses.

- 5.4 The Petitioner shall ensure that these new substations are utilized exclusively for the identified Legacy Areas and do not cater to the load of developers or planned colonies that are otherwise required to comply with the 33 kV Pilot Project Belt scheme.
6. 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.

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