BEFORE THE ELECTRICITY OMBUDSMAN, HARYANA
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(Regd. Post)

Appeal No.	**:**	**22 of 2026**
Registered on	**:**	**19.06.2026**
Date of Order	**:**	**25.08.2026**

In the matter of: -

Appeal against the order dated 04.06.2026 passed by CGRF, UHBVN Panchkula in case No 45 of 2026

M/s RV Enterprises, Kachwa Road, District Karnal, Haryana **Appellant**

Versus

1. The XEN/OP Sub Urban Division No.1, UHBVN, Karnal
2. SDO/OP Sub Division, UHBVN, Taraori

Respondent

Before:
Shri Rakesh Kumar Khanna, Electricity Ombudsman

Present on behalf of Appellant:
Shri Yatin Garg

Present on behalf of Respondents:
Shri Virender Kumar, AEE

ORDER

A. The appellant has filed an appeal against the order dated 04.06.2026 passed by CGRF, UHBVNL, Panchkula in case no. 45 of 2025. The appellant has submitted as under: -

1. That the Appellant is an HT consumer of UHBVN having Account No. 2874334813.
2. That the Appellant had originally obtained a new HT connection with Connected Load 220 KW and Contract Demand 245 KVA and deposited the requisite Advance Consumption Deposit (ACD) and Service Connection Charges (SCC).
3. That subsequently the Appellant applied for Reduction of Load from 220 KW/245 KVA to 55 KW/55 KVA. At that stage, the excess ACD corresponding to the reduced load was neither refunded nor adjusted by UHBVN.
4. That thereafter the Appellant applied for Extension of Load from 55 KW/55 KVA to 190 KW/190 KVA vide Application No. L21-126-175 dated 27.01.2026.
5. That despite the fact that substantial ACD and SCC already stood deposited with UHBVN and despite no refund having been granted at the time of Reduction of Load, the Appellant was compelled to deposit an additional ACD of ₹1,35,000/- and SCC of ₹2,70,000/-.
6. That the SDO/Respondent himself admitted before the CGRF that:
   (a) No Nigam expenditure was incurred;
   (b)No change in HT CT/PT metering was required; and
   (c) The extension of load was released on the existing system.

7. That the CGRF failed to appreciate that when excess ACD was already retained by UHBVN after reduction of load, there was no justification for demanding fresh ACD from the Appellant.
8. That the CGRF also failed to consider that retention of excess ACD and simultaneous recovery of fresh ACD amounts to double recovery and causes unjust enrichment to the Nigam.
9. That the CGRF order does not contain any detailed finding regarding the refundable excess ACD available with the Nigam after reduction of load and therefore suffers from non-application of mind.
10. That the CGRF has merely relied upon an instruction relating to Service Connection Charges without examining the separate issue of refund/adjustment of ACD.
11. That the impugned order is arbitrary, contrary to the principles of equity and liable to be set aside.

GROUNDS OF APPEAL

A. Because the CGRF failed to adjudicate the issue of excess ACD retained by UHBVN after reduction of load.
B. Because the demand and recovery of fresh ACD despite availability of excess ACD with the Nigam is illegal and unjustified.
C. Because the Respondents admitted that no additional expenditure was incurred by the Nigam for release of the extension of load.
D. Because the impugned order is non-speaking and does not deal with all issues raised by the Appellant.
E. Because the order results in unjust enrichment of the Respondents at the cost of the consumer.

PRAYER

In view of the facts stated above, it is most respectfully prayed that this Hon'ble Ombudsman may kindly:

a) Set aside the Order dated 04.06.2026 passed by Corporate CGRF, UHBVN, Panchkula in Complaint No. 45/2026;
b) Direct UHBVN to refund or suitably adjust the excess Advance Consumption Deposit retained by it after reduction of load;
c) Direct refund of the additional ACD of ₹1,35,000/- recovered from the Appellant, along with applicable interest;
d) Direct refund of Service Connection Charges of ₹2,70,000/- recovered during extension of load, as no additional expenditure was incurred by the Nigam;
e) <u>Pass any other order deemed fit in the interest of justice.</u>

B. The appeal was registered on 19.06.2026 as an appeal No. 22 of 2026 and accordingly, notice of motion to the Appellant and the Respondents was issued for hearing the matter on 15.07.2026.

C. On 13.07.2026, respondent SDO has submitted reply which is as under:-

The consumer M/s RV Enterprises Village Kachwa applied for new HT connection vide App. No. L21-922-138 Dated 30-09-2022 (copy attached) CL 220 KW with CD 245 KVA and the consumer was deposited Rs. 225000/- (having ACD 220 KW @ 1000 = 220000/- & other charges) through online mode vide receipt no. YSBI444085465 dated 30.09.2022 and demand notice payment done Rs. 252539/- (having SCC Rs. 240363/- (490000-249637 = 240363/-) after deduction of estimate cost being self-execution & other charges) vide receipt no. YSBI154430882 dated 21.10.2022 (copy attached) & same connection released on 04.01.2023. After that the consumer applied for ROL having A/c No. 2874334813 vide App. No. L21-625-290 dated 20-06-2025 (copy attached) from CL 220 to 55 KW with CD 245 to 55 KVA and same application released on 27-06-2025. Thereafter, M/s RV Enterprises Village Kachwa A/c No. 2874334813 applied for EOL from CL 55 to 190 KW with CD 55 to 190 KVA vide App. No. L21-126-175 dated 27.01.2026 (copy attached) and the consumer was deposited advance consumption charges ACD 135 KW @ 1000 = 135000/- through online mode vide receipt no. CCBI1JO19PA260 dated 27.01.2026 and service connection charges SCC 135 KVA @ 2000 Rs. 270000/- through demand notice payment done vide receipt no. CCBIQ191A46YHL dated 31.01.2026 (copy attached) and same EOL application released on 02.02.2026. It is also informed that there is no Nigam expenditure occurred and no change in HT CT PT metering as EOL released on existing system. It is further intimated that Reduction or Extension in load–Effect online service charges as per sales instructions no.3.5 (a) (copy attached) "if the service is not augmented and no additional expenditure is incurred by the Nigam to supply the additional load, the same charges should continue to be charged". So, keeping in view of above said instructions, the amount is not refundable.

This is for your information and further necessary action please.

D. The hearing in the above matter was held on 15.07.2026. The Appellant was represented through Video Conference, while the Respondent-SDO (OP) Sub-Division, Taraori, appeared in person.

Brief Facts of the Case

The Appellant, an HT industrial consumer (Account No. 2874334813), obtained a new HT connection with Connected Load (CL) of 220 kW and Contract Demand (CD) of 245 kVA in 2022-2023. Requisite Advance Consumption Deposit (ACD) and Service Connection Charges (SCC) were deposited at that time.

Subsequently:

- The load was reduced to 55 kW / 55 kVA vide application dated 20.06.2025 (released on 27.06.2025). The Appellant contends that excess ACD corresponding to the reduced load was neither refunded nor adjusted.
- Thereafter, an Extension of Load (EOL) was sought from 55 kW / 55 kVA to 190 kW / 190 kVA vide Application No. L21-126-175 dated 27.01.2026. Additional ACD of ₹1,35,000/- and SCC of ₹2,70,000/- were deposited, and the connection was released on 02.02.2026.

The grievance is that no additional infrastructure or Nigam expenditure was incurred for the EOL, as it was released on the existing system (no change in HT CT/PT metering). The Appellant alleges double recovery and unjust enrichment by the Nigam.

The Corporate Consumer Grievances Redressal Forum (CGRF), UHBVN, Panchkula, vide order dated 04.06.2026 in Complaint No. 45/2026, dismissed the complaint, primarily relying on Sales Instruction No. 3.5(a), holding that the amounts are not refundable.

Aggrieved thereby, the Appellant preferred the present appeal under Regulations 2.48 & 2.49 of the HERC (Forum & Ombudsman) Regulations, 2020.

Submissions during Hearing

The Respondent-SDO submitted a reply dated 13.07.2026, reiterating that no Nigam expenditure was incurred, the extension was on the existing system, and charges are governed by applicable instructions. The Appellant stated that the reply was not received prior to the hearing and emphasized the retention of excess ACD post-reduction and subsequent fresh demand despite no augmentation.

The parties were heard at length on the applicability of the HERC (Electricity Supply Code) Regulations, 2014 (as amended from time to time), particularly provisions relating to:

- Advance Consumption Deposit (ACD) [Regulation 2.3 and related clauses on security deposits];
- Procedures for load modification, reduction, and extension (Regulations 4.4 et seq., including timelines and charges under amendments);
- Service Connection Charges (SCC) in cases of self-execution / no additional Nigam expenditure.

It was noted that the Appellant had initially erected infrastructure under a self-execution scheme for the higher load (220 kW / 245 kVA), which continued to subsist.

Observations

This Ombudsman has perused the appeal, CGRF order, reply of the SDO, connected documents, and the provisions of the HERC Electricity Supply Code Regulations, 2014 (including 1st to 6th Amendments). Prima facie, the matter involves nuanced interpretation of:

- Adjustment/refund of excess ACD upon load reduction and its carry-forward/adjustment on subsequent extension (to avoid double recovery).
- Levy of SCC where no augmentation of distribution network or additional expenditure is incurred by the licensee, especially when higher-capacity infrastructure already exists on the consumer's premises / self-executed basis.
- Harmonization of Sales Instructions/Circulars with the regulatory framework under the Supply Code.

The CGRF order, while referring to Instruction 3.5(a), does not appear to have fully addressed the accounting of prior ACD/security or the factual position of pre-existing infrastructure. A comprehensive response from the Commercial Wing of UHBVN is essential for just adjudication, in line with the principles of equity, transparency, and consumer protection enshrined in the Electricity Act, 2003, and HERC Regulations.

Directions

In the interest of justice and to enable a fully reasoned final order, the Respondents are directed to file a comprehensive point-wise reply / short affidavit, duly vetted and approved by the Superintending Engineer (Commercial), UHBVN, Panchkula, within 15 days from the date of receipt of this order. The reply shall specifically address the following:

1. The complete load history of the Appellant, including dates of sanction/release, application numbers, CL/CD at each stage, and exact amounts recovered towards ACD, SCC, and other charges, supported by relevant records.
2. Whether the infrastructure created/available for the original 220 kW / 245 kVA load continued to subsist and remained available for the EOL from 55 kW / 55 kVA to 190 kW / 190 kVA.
3. Whether any augmentation, alteration, addition, or fresh expenditure was incurred by the Nigam for the EOL. If yes, full particulars and supporting documents; if no, the precise legal basis for demanding fresh SCC of ₹2,70,000/-
4. The exact provisions of the applicable Sales Circulars/Instructions and HERC Supply Code Regulations, 2014 (as amended) under which the SCC was levied in this factual scenario.
5. Details of the instruction corresponding to the clause "if the service is not augmented and no additional expenditure is incurred by the Nigam..., the same

charges should continue to be charged", including the full text, its current validity, and harmonization with the Supply Code.

6. Accounting treatment of ACD/security after the reduction of load (220/245 to 55/55 kVA), including whether any excess became adjustable/refundable, ledger entries, and reasons for non-adjustment (with reference to relevant Supply Code provisions on ACD).
7. Any policy clarification/commercial interpretation issued by CE/Commercial, UHBVN, regarding reduction followed by re-enhancement on existing HT systems.
8. The Respondents' final stand on refund/adjustment of SCC and ACD components, with separate legal basis for each.

A copy of the reply shall be supplied to the Appellant in advance. The Appellant may file a rejoinder, if any, within 2 days thereafter.

It is clarified that the observations herein are tentative and for the limited purpose of eliciting a proper response. They shall not prejudice the final adjudication on merits.

List the matter for further hearing on 03.08.2026.

E. On 29.07.2026, appellant has submitted additional submission which is as under:-

MOST RESPECTFULLY SHOWETH:

1. That the present Additional Written Submission is being filed in continuation of the Appeal already pending before this Hon'ble Ombudsman.
2. That subsequent to filing of the present Appeal, the Hon'ble Haryana Electricity Regulatory Commission has passed Order dated 22.07.2026 in Case No. HERC/P. No. 01 of 2026, whereby the Commission has finalized the HERC (Duty to Supply Electricity on Request, Power to Recover Expenditure Incurred in Providing Supply and Power to Require Security) Regulations, 2016 (4th Amendment), 2026 as well as the HERC (Electricity Supply Code) Regulations, 2014 (7th Amendment), 2026.
3. That the said Order is highly relevant for deciding the present Appeal because the Distribution Licensees themselves admitted before the Hon'ble Commission that the existing Regulation 4.8 was completely silent regarding reduction and subsequent restoration of load, thereby resulting in administrative ambiguity.
4. That after considering the said ambiguity, the Hon'ble Commission has inserted Regulation 4.8.1(B) which specifically provides that a consumer reducing his sanctioned load shall be entitled to restore the original sanctioned load within three years without levy of any Service Connection Charges.
5. That further, Regulation 4.8.1(C) provides that even where the consumer enhances the load beyond the originally sanctioned load within three years, Service Connection Charges shall be recoverable only on the difference between the fresh load sought and the originally sanctioned load.
6. That the Appellant's case is on an even stronger footing.

The chronology is as under:

- Original Contract Demand: 245 KVA
- Reduced Contract Demand: 55 KVA
- Restored/Enhanced Demand: 190 KVA
- Period between reduction and enhancement: Within six months only.

7. That admittedly the Appellant never sought any Contract Demand beyond the originally sanctioned 245 KVA. Therefore, even on the principles now approved by the Hon'ble Commission under Regulations 4.8.1(B) and 4.8.1(C), no Service Connection Charges were legally recoverable from the Appellant.
8. That during the proceedings before the Consumer Grievances Redressal Forum, the Respondents themselves admitted that:
   - no expenditure was incurred by the Nigam;
   - no HT CT/PT replacement was required;
   - the existing electrical system was utilized;
   - no additional infrastructure was created.

   Therefore, recovery of ₹2,70,000/- towards Service Connection Charges is wholly arbitrary, unjustified and contrary to the regulatory principles now recognized by the Hon'ble Commission itself.
9. That although the above amendment has been notified subsequently, the said amendment clearly reflects the regulatory intent of the Commission and removes the ambiguity which admittedly existed in the earlier Regulations. The said Order is therefore a highly persuasive circumstance for deciding the present Appeal in accordance with equity, fairness and justice.

Additional Ground regarding Advance Consumption Deposit (ACD)

10. That apart from the illegal recovery of Service Connection Charges, the Respondents have also retained an excess Advance Consumption Deposit (ACD) from the Appellant.
11. That after reduction of sanctioned load, the corresponding excess ACD was neither refunded nor adjusted by the Respondents.
12. Thereafter, while granting enhancement of load, the Respondents again recovered an additional ₹1,35,000/- towards Advance Consumption Deposit without first adjusting the substantial ACD already lying with the Nigam.
13. That such action amounts to double recovery and results in unjust enrichment at the cost of the consumer.
14. That the object of Advance Consumption Deposit is merely to secure payment of energy charges and not to permit indefinite retention of consumers' money.
15. That as per the applicable HERC framework governing HT consumers, the security retained by the licensee is intended to correspond to approximately one and a half months' billing, whereas in the present case the Respondents are retaining security far in excess of that requirement.

16. That even after considering the revised sanctioned demand, the Respondents continue to retain Advance Consumption Deposit substantially exceeding the permissible requirement, thereby causing unnecessary financial hardship to the Appellant.
17. The Respondents may therefore be directed to:
    - recalculate the admissible Advance Consumption Deposit strictly in accordance with the applicable HERC Regulations;
    - refund or adjust the excess ACD retained by the Nigam;
    - refund the additional ACD of ₹1,35,000/- illegally recovered from the Appellant;
    - pay applicable interest on the excess amount retained.

PRAYER

In view of the above submissions, it is most respectfully prayed that this Hon'ble Ombudsman may kindly:

a) take on record the present Additional Written Submission;
b) consider the HERC Order dated 22.07.2026 and the amendments introduced in Regulations 4.8.1(B) and 4.8.1(C) while deciding the present Appeal;
c) direct the Respondents to refund ₹2,70,000/- recovered towards Service Connection Charges along with applicable interest;
d) direct the Respondents to refund/adjust the excess Advance Consumption Deposit retained by them after reduction of load;
e) direct refund of the additional ₹1,35,000/- recovered towards Advance Consumption Deposit together with applicable interest;
f) direct the Respondents to recalculate the admissible ACD strictly in accordance with the HERC Regulations applicable to HT consumers and refund the balance amount lying in excess;
g) pass any other order which this Hon'ble Ombudsman may deem fit and proper in the interest of justice, equity and fair play.

I will be able to attend all the proceedings via video conferencing. Thank you for your cooperation.

F. On 29.07.2026, respondent has submitted further reply which is as under:-

1. The consumer M/s RV Enterprises Village Kachwa applied for new HT connection vide App. No. L21-922- 138 Dated 30-09-2022 (copy attached) CL 220 KW with CD 245 KVA and the consumer was deposited Rs. 225000/- (having ACD 220 KW @ 1000 = 220000/- & other charges) through online mode vide receipt no. YSBI444085465 dated 30.09.2022 and demand notice payment done Rs. 252539/- (having SCC Rs. 240363/-(490000-249637 = 240363/-) after deduction of estimate cost being self-execution & other charges) vide receipt no. YSBI154430882 dated 21.10.2022 (copy attached). The same application had been released on 04.01.2023 and A/c No. 2874334813 generated.

After that the consumer applied for ROL having A/c No. 2874334813 vide App. No. L21-625-290 dated 20-06-2025 (copy attached) from CL 220 to 55 KW with CD 245 to 55 KVA and same application released on 27-06-2025.

Thereafter, M/s RV Enterprises Village Kachwa A/c No. 2874334813 applied for EOL from CL 55 to 190 KW with CD 55 to 190 KVA vide App. No. L21-126-175 dated 27.01.2026 (copy attached) and the consumer was deposited advance consumption charges ACD 135 KW @ 1000 = 135000/- through online mode vide receipt no. CCBI1JO19PA260 dated 27.01.2026 and service connection charges SCC 135 KVA @ 2000 Rs. 270000/- through demand notice payment done vide receipt no. CCBIQ191A46YHL dated 31.01.2026 (copy attached) and same EOL application released on 02.02.2026.

2. The infrastructure was available for the original 220 KW/245 KVA load continued to subsist and remained available for the EOL from 55 KW/55 KVA to 190 KW/ 190 KVA.
3. No, any augmentation, alteration, addition or fresh expenditure was not incurred by the Nigam for EOL. The demand of fresh SCC of Rs. 270000/- for extending of load has been issued as per Nigam instructions updated on new connection portal. Moreover, the legal base of demanding fresh SCC as per sale manual 2013 clause instruction no.3.5 (a) (online system generated demand notice attached).
4. The provision in HERC supply code 2014 of 4.12 load enhancement and 4.13 load reduction (copy attached).
5. It is further intimated that Reduction or Extension in load-Effect online service charges as per sales manual 2013 clause instruction no.3.5 (a) (copy attached) "if the service is not augmented and no additional expenditure is incurred by the Nigam to supply the additional load, the same charges should continue to be charged". and valid as per supply code 2014.
6. Total ACD after ROL (CL 220 to 55 KW with CD 245 to 55 KVA) is 220000/- and after EOL (55 to 190 KW with CD 55 to 190 KVA) is 355000/-. The Excess ACD on or before EOL will be adjusted by the system based on average payment of the period of one & half billing cycle as per Sale Circular-02/2020 consumption.
7. Sales manual 2013 clause instruction no.3.5 (a).
8. Keeping in view of above said Nigam instructions, the amount is rightly chargeable. This is for your information and further necessary action please.

G. The matter was taken up for hearing on 03.08.2026, as scheduled. The Appellant was represented through video conference, while the Respondent-SDO (OP) Sub-Division, Taraori, appeared in person.

At the outset, compliance of the detailed directions issued vide Interim Order dated 15.07.2026 was examined. By the said order, the Respondents were specifically directed to file a comprehensive point-wise reply / short affidavit, duly vetted and approved by the Superintending Engineer (Commercial), UHBVN, Panchkula, within fifteen days, addressing, inter alia:

(i) The complete load history of the Appellant with supporting records of ACD, SCC and other charges recovered at each stage;

(ii) The subsistence and continued availability of the original infrastructure created/available for the sanctioned load of 220 kW / 245 kVA;

(iii) Whether any augmentation, alteration or fresh expenditure was incurred by the Nigam for the subsequent extension of load from 55 kW / 55 kVA to 190 kW / 190 kVA, and the precise legal basis for levy of fresh Service Connection Charges of ₹2,70,000/- in the absence of such expenditure;

(iv) The applicable provisions of the HERC (Electricity Supply Code) Regulations, 2014 (as amended) and Sales Circulars/Instructions governing the levy;

(v) The accounting treatment of Advance Consumption Deposit upon reduction of load, including adjustment or refund of excess ACD; and

(vi) The Respondents' final stand on refund/adjustment of the disputed SCC and ACD components, with separate legal basis for each.

The reply submitted by the Respondent-SDO during the hearing was found to be neither approved by the Commercial Wing of UHBVN nor in conformity with the directions contained in the Interim Order dated 15.07.2026. When queried regarding the detailed calculation of the ACD component, including excess retention after load reduction and subsequent recovery of additional ACD of ₹1,35,000/-, the Respondent could not produce a duly audited computation as directed, and merely stated that the figures were system-generated.

This forum records displeasure at the manner in which the matter is being pursued by the Respondents. The Interim Order of 15.07.2026 was elaborate and specific; yet the matter was not referred to the Commercial Wing as mandated. Such an approach results in unnecessary prolongation of proceedings and is contrary to the spirit of expeditious redressal contemplated under the Electricity Act, 2003 and the HERC (Forum and Ombudsman) Regulations, 2020.

The Appellant has filed a comprehensive rejoinder placing reliance, inter alia, upon the Order dated 22.07.2026 passed by the Hon'ble Haryana Electricity Regulatory Commission in Case No. HERC/P. No. 01 of 2026, whereby Regulations 4.8.1(B) and 4.8.1(C) have been inserted in the HERC (Duty to Supply Electricity on Request, Power to Recover Expenditure Incurred in Providing Supply and Power to Require Security) Regulations, 2016 (4th Amendment), 2026 / HERC (Electricity Supply Code) Regulations, 2014 (7th Amendment), 2026. The Appellant contends that the said amendments remove the earlier regulatory silence regarding reduction and subsequent restoration/enhancement of load within three years and that, on the facts of the present case (original CD 245 kVA reduced to 55 kVA and restored/enhanced only to 190 kVA within six months, without exceeding the original sanctioned demand, and without any additional infrastructure or expenditure by the Nigam), no Service Connection Charges were recoverable. The Appellant has further reiterated the grievance of excess retention of ACD after load reduction and the subsequent recovery of additional ACD of ₹1,35,000/- without adjustment of the amount already lying with the Nigam, alleging double recovery and unjust enrichment. The Respondent remained indifferent to the specific factual and legal assertions contained in the rejoinder.

In the interest of a fair, complete and expeditious adjudication, and to ensure that the matter is examined with due diligence at the appropriate level, the following directions are issued:

1. The Respondents shall file a comprehensive point-wise reply, after involving the concerned Executive Engineer (Operation) and after obtaining due approval from the Superintending Engineer (Commercial), UHBVN, Panchkula, strictly in terms of the directions already issued vide Interim Order dated 15.07.2026.
2. The reply shall specifically address each of the eight points enumerated in the said Interim Order and shall also deal with the contentions raised in the Appellant's rejoinder, including the effect of the HERC Order dated 22.07.2026 and the newly inserted Regulations 4.8.1(B) and 4.8.1(C).
3. The calculation of admissible ACD at each stage of load (original, reduced and enhanced), the excess ACD, if any, retained after reduction, and the additional ACD of ₹1,35,000/- recovered on enhancement shall be got pre-audited from the representative of the Chief Auditor, UHBVN, and the audited calculation sheet shall form part of the reply.
4. A copy of the reply, duly supported by all relevant records, shall be supplied to the Appellant in advance. The Appellant may file a rejoinder, if any, within two days thereafter.

It is clarified that the observations herein are tentative and are made only for the limited purpose of eliciting a complete and proper response from the Respondents. They shall not prejudice the final adjudication on merits.

List the matter for further hearing on 24.08.2026.

H. On 21.08.2026, respondent SDO has submitted comprehensive point-wise reply which is as under: -

1. The consumer M/s RV Enterprises Village Kachwa applied for new HT connection vide App. No. L21-922-138 Dated 30-09-2022 (copy attached). CL 220 KW with CD 245 KVA and the consumer was deposited Rs. 225000/- (having ACD 220 KW @ 1000 = 220000/- & other charges) through online mode vide receipt no. YSBI444085465 dated 30.09.2022 and demand notice payment done Rs. 252539/- (having S.C.C. Rs. 240363/- (490000- 249637 240363/-) after deduction of estimate cost being self-execution & other charges) vide receipt no. YSBI154430882 dated 21.10.2022 (copy attached). The same application had been released on 04.01.2023 and A/c No. 2874334813 generated.

After that the consumer applied for ROL having A/c No. 2874334813 vide App. No. L21-625-290 dated 20-06-2025 (copy attached) from CL 220 to 55 KW with CD 245 to 55 KVA and same application released on 27-06-2025.

Thereafter, M/s RV Enterprises Village Kachwa A/c No. 2874334813 applied for EOL from CL 55 to 190 KW with CD 55 to 190 KVA vide App. No. L21-126- 175 dated 27.01.2026 (copy attached) and the consumer was deposited advance consumption charges ACD 135 KW @ 1000 = 135000/- through online mode vide receipt no. CCBI1JO19PA260 dated 27.01.2026 and service connection charges S.C.C. 135 KVA @ 2000 Rs. 270000/- through demand notice payment done vide receipt no. CCBIQ191A46YHL dated 31.01.2026 (copy attached) and same EOL application released on 02.02.2026.

2. The infrastructure was available for the original 220 KW/245 KVA load continued to subsist and remained available for the EOL from 55 KW/55 KVA to 190 KW/ 190 KVA.

3. No, any augmentation, alteration, addition or fresh expenditure was not incurred by the Nigam for EOL. The precise legal basis for levy of fresh SCC of Rs. 270000/- is as per HERC Regulation 9/2020 (clause 4.8.1) i.e. S.C.C. to be paid by the applicant on new connection /EOL and also as per earlier sales manual 2013 clause instruction no. 3.5(a) vide which it is clarified that "if the service is not augmented and no additional expenditure is incurred by the Nigam to supply the additional load, the same charges should continue to be charged".

4. As per provision of the HERC (Electricity Supply Code) Regulation 2014 clause 4.12 load enhancement and 4.13 load reduction i.e. "Amount of additional security deposit, cost of additional infrastructure and the system strengthening charged or capacity building charges, if any, to be deposited".

5. The accounting treatment of ACD deposited upon ROL including adjustment or refund of excess ACD was to be reviewed in FY 2023-24 & FY 2024-25 as per Nigam instruction but same was not reviewed. Now the same has been reviewed upto FY 2025-26 and found that there is excess amount of ACD Rs. 185000/- which is to be refunded to the consumer within the three subsequent bills (pre-audit copy attached). Moreover, the Chief auditor representative RA IAP-69 UHBVN Karnal also informed that "There is consumer also remember that he recently extend his connection load in 02/2026. So, his consumption will be increased & further ACD amount to be deposited as per consumption if increased, as per rules & regulations".

6. As per Nigam Sales Circular (HERC Regulation 9/2020 clause 4.8.1 & as per sales manual instruction 3.5(a), the S.C.C. was rightly chargeable at the time EOL. Moreover, as per Appellant rejoinder there is no effect of HERC order dated 22.07.2026 regarding inserted regulations 4.8.1(B) & 4.8.1 (C) on S.C.C. as per comments of SE Commercial UHBVN Panchkula vide office Memo No. Ch-

14/TR-90/Complaints/Refund/2025-CE/C-I dated 06.08.2026, clarified that "The charges to be levied for new connection/extension of load has been specified in Annexure-I in the HERC duty to supply electricity on request and power to recover expenditure and power to recover security regulations, 2016 (1st Amendment) regulation, 2020 (S.C. No. U-09/2020) which is vogue" (copy attached).

The ACD on EOL is also rightly chargeable as per HERC regulation 09/2020 clause no. 5.9.(1) and the same will be review from April to March of the previous year and accordingly any excess/deficient amount shall be adjusted within three subsequent bills of the consumer. The pre-audit calculation of admissible ACD at each stage of load is attached for further kind consideration and also a part of reply (copy attached).

Submitted for kind consideration please.

I. The matter was taken up for hearing on 24.08.2026, as scheduled. The Appellant was represented through video conference, while the Respondent-SDO (OP) Sub-Division, Taraori, appeared in person.

Decision

1. The present appeal has been preferred by M/s RV Enterprises (hereinafter “the Appellant”) under Regulations 2.48 and 2.49 of the HERC (Forum and Ombudsman) Regulations, 2020, challenging the order dated 04.06.2026 passed by the Corporate Consumer Grievances Redressal Forum, UHBVN, Panchkula (hereinafter “the CGRF”) in Complaint No. 45/2026.

2. **Brief Facts**
   (i) The Appellant, an HT industrial consumer, was granted a new HT connection under Application No. L21-922-138 dated 30.09.2022 for Connected Load (CL) of 220 kW and Contract Demand (CD) of 245 kVA. The connection was released on 04.01.2023 under Account No. 2874334813. Requisite Advance Consumption Deposit (ACD) of ₹2,20,000/- and Service Connection Charges (SCC) of ₹2,40,363/- (after adjustment of estimate cost under self-execution) were deposited.
   (ii) On 20.06.2025 the Appellant applied for Reduction of Load (ROL) from 220 kW/245 kVA to 55 kW/55 kVA (Application No. L21-625-290). The reduced load was released on 27.06.2025. No refund or adjustment of the excess ACD was effected at that stage.
   (iii) On 27.01.2026 the Appellant applied for Extension of Load (EOL) from 55 kW/55 kVA to 190 kW/190 kVA (Application No. L21-126-175). Additional ACD of ₹1,35,000/- and SCC of ₹2,70,000/- were demanded and deposited under compulsion. The extended load was released on 02.02.2026 on the

existing system without any augmentation, alteration or additional expenditure by the Nigam and without any change in HT CT/PT metering.

(iv) The Appellant approached the CGRF seeking refund of the additional ACD and SCC. The CGRF, by order dated 04.06.2026, dismissed the complaint primarily relying upon Sales Instruction No. 3.5(a).

3. **Proceedings before this Forum**

Interim Orders dated 15.07.2026 and 03.08.2026 were passed directing the Respondents to file a comprehensive, point-wise reply duly vetted and approved by the Superintending Engineer (Commercial), UHBVN, Panchkula, addressing the complete load history, subsistence of original infrastructure, legal basis for levy of fresh SCC in the absence of any Nigam expenditure, accounting treatment of ACD upon reduction of load, and the effect of the subsequent HERC Order dated 22.07.2026.

The Respondents ultimately filed a reply admitting that:

- no Nigam expenditure was incurred for the EOL;
- the infrastructure created/available for the original 220 kW/245 kVA load continued to subsist; and
- an excess ACD of ₹1,85,000/- as on 31.03.2026 is refundable and is to be adjusted in three subsequent bills.

4. **Contentions of the Parties**

The Appellant contends that retention of excess ACD after reduction of load followed by fresh recovery of ACD and SCC amounts to double recovery and unjust enrichment; that the infrastructure commensurate with 245 kVA already existed under the self-execution scheme; and that the subsequent insertion of Regulations 4.8.1(B) and 4.8.1(C) by the Hon'ble HERC vide Order dated 22.07.2026 in Case No. HERC/P. No. 01 of 2026 (filed by the distribution licensees themselves) clarifies the regulatory position and supports non-levy of SCC where the consumer does not exceed the originally sanctioned demand within three years.

The Respondents maintain that SCC was correctly charged under HERC Regulation 4.8.1 (as existing prior to the 2026 amendment) and Sales Instruction 3.5(a), and that the ACD is subject to periodic review as per Regulation 5.9. They further contend that the 2026 amendment operates prospectively and cannot be applied retrospectively.

5. **Findings and Reasoning**

After careful consideration of the pleadings, the interim orders, the CGRF order, the replies filed by the Respondents (including the commercial-wing vetted reply), the relevant provisions of the HERC (Electricity Supply Code) Regulations, 2014 (as amended), the HERC (Duty to Supply Electricity on Request, Power to Recover Expenditure Incurred in Providing Supply and Power to Require Security) Regulations, 2016 (as amended), Sales Circular No. U-09/2020, and the Order of the Hon'ble Commission dated 22.07.2026 in Petition No. 01 of 2026, this Forum records the following findings:

A. Service Connection Charges

It is an admitted position that:

- the Appellant had erected infrastructure under the self-execution scheme for the original sanctioned demand of 245 kVA;
- the said infrastructure continued to subsist and was utilised for the subsequent extension to 190 kVA;
- no augmentation, alteration, addition or fresh expenditure was incurred by the Nigam; and
- the period between reduction (June 2025) and enhancement (January/ February 2026) was less than six months, well within the three-year window contemplated by the Hon'ble Commission.

The Hon'ble HERC, while disposing of Petition No. 01 of 2026 filed by the licensees themselves, recognised the regulatory silence in the earlier Regulation 4.8 regarding reduction and subsequent restoration/enhancement of load and inserted Regulations 4.8.1(B) and 4.8.1(C). These provisions expressly provide that a consumer who reduces sanctioned load shall be entitled to restore the original sanctioned load within three years without levy of Service Connection Charges, and that even where load is enhanced beyond the original sanctioned load within three years, SCC shall be recoverable only on the differential load.

Although the amendment has been notified subsequently, the admitted facts of the present case fall squarely within the protective principle now codified by the Commission. The Appellant never sought any demand beyond the originally sanctioned 245 kVA. Recovery of fresh SCC of ₹2,70,000/- in these circumstances is therefore not sustainable.

At the same time, this Forum is conscious that a retrospective application of the newly inserted regulations to all past cases could open a floodgate of claims. Accordingly, while the Appellant is held entitled to refund of the disputed SCC on the peculiar facts of this case (pre-existing self-executed infrastructure, no Nigam expenditure, and restoration within a short period of the original capacity), the decision is confined to the facts of the present appeal and shall not be treated as a general precedent for retrospective application of the 2026 amendment.

B. Advance Consumption Deposit

The Respondents have themselves admitted in their commercial-wing vetted reply that an excess ACD of ₹1,85,000/- as on 31.03.2026 is refundable and is required to be adjusted in three subsequent bills. The object of ACD is to secure payment of energy charges corresponding to the applicable load/consumption and not to permit indefinite retention of consumer funds.

Directions

In view of the foregoing, the appeal is partly allowed. The order of the CGRF dated 04.06.2026 is set aside to the extent it denies relief to the Appellant. The Respondents are directed as under:

(i) The claim for the refund of Rs. 2,70,000/- as sought by the appellant is not allowed as the directions imparted by the Hon'ble Commission while deciding the petition no. 1 of 2026 can only be implemented prospectively instead of from retrospective effect as demanded by the appellant.

(ii) The respondent will adjust the refund of ACD amount of Rs. 1,85,000/- in three subsequent billings from the next billing cycle from the date of issue of this order otherwise interest at the rate fixed deposit rate of SBI shall be levied on the unpaid amount.

The instant appeal is disposed of accordingly.

No order as to costs. Both the parties to bear their own costs.

File may be consigned to record.

Given under my hand on 25.08.2026.

Sd/-
(Rakesh Kumar Khanna)
Electricity Ombudsman, Haryana

Dated: 25.08.2026

CC:
Memo No.1997-2003/EO/HERC/Appeal No.22/2026 Dated:25.08.2026
To

1. M/s RV Enterprises, Kachwa Road, District Karnal, Haryana (Emai l rventerprisesagrico@gmail.com)
2. The Managing Director, Uttar Haryana Bijli Vitran Nigam Limited, Vidyut Sadan, IP No.: 3&4, Sector-14, Panchkula (Email md@uhbvn.org.in).
3. Legal Remembrancer, Haryana Power Utilities, Shakti Bhawan, Sector- 6, Panchkula (Email lr@hvpn.org.in).
4. The Chief Engineer (Operation), UHBVN, Rohtak, 4th Floor Rajiv Gandhi Vidyut Bhawan near Medical Mor Delhi Road, Rohtak (email ceoprohtak@uhbvn.org.in)
5. The SE/Operation Circle Karnal, Rajiv Gandhi Vidyut Sadan, Sec-12, Karnal (Email seopkarnal@uhbvn.org.in)
6. XEN (Operations), Sub Urban Division No.1, UHBVN, Kothi No. 3/4,98-99 Jarnally Colony, Karnal, (Email xenopsu1karnal@uhbvn.org.in)
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