

ALL INDIA POWER ENGINEERS FEDERATION



(REGISTERED UNDER SOCIETIES ACT XXI of 1860), Regd. No. 24085/93

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No. 33 - 2026/HERC

19-06-2026

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

IN THE MATTER OF:

Public Notice issued under Section 15(5)(a) of the Electricity Act, 2003 in Petition No. 30 of 2026 seeking grant of Distribution Licence to M/s Eleven Power Private Limited for Gurugram and Nuh Revenue Districts in the State of Haryana.

**OBJECTION PETITION ON BEHALF OF ALL INDIA POWER ENGINEERS
FEDERATION (AIPEF)**

To

**The Secretary
Haryana Electricity Regulatory Commission (HERC)
Bays No. 33-36, Sector-4
Panchkula – 134112**

RESPECTFULLY SHOWETH,

The All India Power Engineers Federation (AIPEF), representing power engineers and electricity professionals working in Central and State Power Utilities across India, respectfully submits the following objections against the proposal of M/s Eleven Power Private Limited for grant of a parallel distribution licence in the revenue districts of Gurugram and Nuh.

AIPEF submits that the proposal is contrary to public interest, consumer interest, employee interest, financial stability of the power sector and the objectives of the Electricity Act, 2003 and therefore deserves to be rejected.

I. PRELIMINARY SUBMISSIONS

1. Electricity distribution is a public utility service involving extensive network infrastructure and universal service obligations.

2. The existing distribution licensee, Dakshin Haryana Bijli Vitran Nigam Limited (DHBVNL), already possesses a valid licence, established distribution infrastructure, trained manpower and statutory responsibility to serve all categories of consumers.

3. The applicant seeks to operate in the most commercially attractive and revenue-rich areas of Haryana while the social obligations towards subsidized and rural consumers continue to remain with the public utility.

4. Such an arrangement would amount to privatization of profitable consumers while leaving public obligations and financial burdens with DHBVNL.

II. LACK OF EXPERIENCE, FINANCIAL STRENGTH AND OPERATIONAL CREDENTIALS

1. The applicant company was incorporated only in 2025 and possesses no independent track record in electricity distribution.

2. The company has a paid-up capital of only about Rs.1 crore while proposing investments running into several thousand crores.

3. The proposal relies substantially upon consortium partners and Memoranda of Understanding rather than demonstrated operational capability.

4. The petitioner has not established independent technical, managerial and financial capability necessary for undertaking distribution operations across two major districts.

5. No credible evidence has been produced regarding:

- **Distribution network readiness;**
- **Consumer service infrastructure;**
- **SCADA and control systems;**
- **Substation development plans;**
- **Emergency response systems;**
- **Disaster management arrangements.**

The application therefore fails to establish operational preparedness required for grant of a distribution licence.

III. NO NEED FOR A PARALLEL DISTRIBUTION LICENCE

1. DHBVNL already operates a comprehensive distribution network in the proposed area.

2. The petitioner has failed to demonstrate any deficiency in the existing distribution arrangement warranting grant of another licence.

3. Electricity distribution is a natural monopoly where duplication of assets results in inefficiency and increased costs.

4. Parallel licensing in the same geographical area leads to:

- **Duplication of infrastructure;**
- **Duplication of consumer service systems;**
- **Duplication of metering arrangements;**
- **Increased administrative expenditure;**
- **Right-of-way disputes;**
- **Operational complexities.**

5. Such duplication serves no public purpose and is economically inefficient.

IV. CHERRY-PICKING OF HIGH REVENUE CONSUMERS

The proposal is clearly aimed at attracting high-paying industrial, commercial and premium consumers concentrated in Gurugram and adjoining areas.

The revenue significance of the proposed area is evident from the following data:

DHBNL Circle| Units Sold FY 2025-26 (MU)| Revenue (Rs Crore)| Revenue Share

Gurugram-I	3844.35	3136.37	13.53%
Gurugram-II	3983.35	3249.77	14.01%
Total Proposed Area	7827.70 6386.13 27.54%		
DHBNL Total	36265.25	23184.86	100%

Thus, the proposed licence area contributes approximately 27.54% of DHBNL's total revenue.

Granting a parallel licence in such a lucrative area would enable migration of high-paying consumers and severely erode DHBNL's revenue base.

V. THREAT TO CROSS-SUBSIDY MECHANISM

The electricity sector presently functions through a cross-subsidy framework wherein industrial and commercial consumers support:

- **Agricultural consumers;**
- **Rural consumers;**
- **Economically weaker consumers;**
- **Social welfare categories.**

Migration of profitable consumers would:

- 1. Destroy the cross-subsidy structure.**
- 2. Increase tariff pressure on remaining consumers.**
- 3. Increase subsidy burden on the Government of Haryana.**
- 4. Financially weaken DHBVNL.**
- 5. Ultimately burden ordinary consumers.**

The proposal therefore directly undermines equitable electricity supply.

VI. PROJECTED REVENUE LOSSES TO DHBVNL

The petitioner itself has projected migration of consumers from DHBVNL.

The likely impact is illustrated below:

Scenario	Sales Loss (MU)	Revenue Loss (Rs Crore)
Petitioner's Base Projection	542.37	442.49
20% Load Migration	1770.24	1444.23
45% High Value Load Migration	3983.04	3249.51

These figures demonstrate the severe financial consequences of parallel licensing.

Such losses would directly affect DHBVNL's ability to maintain affordable tariffs and universal service obligations.

VII. STRANDED POWER PURCHASE LIABILITIES

DHBVNL and Haryana Power Purchase Centre (HPPC) have entered into long-term power purchase agreements based on the demand of the entire licensed area.

If high-value consumers migrate:

- 1. Existing contracted power may become surplus.**
- 2. Capacity charges will continue to be payable.**
- 3. Transmission commitments will remain.**
- 4. Consumers remaining with DHBVNL will bear stranded costs.**

This would create a significant tariff burden on the public.

VIII. DEFERRED FSA RECOVERY AND FINANCIAL IMPACT

As on 31 March 2025, unrecovered Fuel Surcharge Adjustment (FSA) amounts are reported as follows:

Particulars	Amount (Rs Crore)
Total FSA booked	8518
FSA recovered	3264
Outstanding balance	5254

These costs relate to electricity already supplied to consumers including the same high-value consumers who may migrate to the proposed licensee.

If such consumers leave DHBVNL before recovery of these dues:

- **Existing consumers will be burdened;**
- **Revenue recovery will become difficult;**
- **Tariff shock may occur;**
- **Financial stability of DHBVNL will be adversely affected.**

IX. GRID SECURITY AND TRANSMISSION CONCERNS

The petitioner proposes substantial dependence on renewable market purchases and external procurement arrangements.

However:

- 1. No comprehensive transmission access plan has been established.**
- 2. No adequate proof of network access availability has been demonstrated.**
- 3. Grid security implications have not been fully assessed.**
- 4. Impact on load flow and system stability remains unexamined.**

Before considering any licence, a detailed independent study should be conducted through HVPNL and other competent agencies.

X. ABSENCE OF CONSUMER MIGRATION FRAMEWORK

Haryana presently lacks a comprehensive regulatory framework governing migration of consumers between parallel distribution licensees.

Critical issues remain unresolved:

- **Security deposits;**
- **Outstanding arrears;**
- **Metering arrangements;**
- **Supplier of Last Resort obligations;**
- **Consumer grievance redressal;**
- **Network access arrangements;**
- **Insolvency or exit of a private licensee.**

No parallel licence should be granted until such framework is formulated and notified.

XI. IMPACT ON EMPLOYEES AND SECTION 133 OF THE ELECTRICITY ACT, 2003

AIPEF submits that the proposal raises serious concerns regarding employee interests.

Section 133 of the Electricity Act, 2003 embodies the legislative intent that employee service conditions should not be adversely affected due to restructuring or sectoral changes. Latest example is of Chandigarh where after Privatization employees are facing lot of hardships to get Pension and other terminal benefits.

Loss of nearly one-fourth of DHBVNL's revenue base would adversely affect:

- **Recruitment;**
- **Promotions;**
- **Wage revisions;**
- **Pension liabilities;**
- **Employee welfare schemes;**
- **Long-term employment security.**

The Commission is duty-bound to assess the impact on employees before approving any arrangement that could weaken the public utility.

XII. NATIONAL EXPERIENCE OF PRIVATIZATION

Experience from various states demonstrates that privatization and parallel licensing do not automatically result in lower tariffs or improved consumer welfare.

Instead, such models often lead to:

- **Regulatory complications;**
- **Network disputes;**
- **Tariff increase pressures;**
- **Consumer confusion;**
- **Financial stress on public utilities.**

Recent experiences in privatized distribution areas (latest one in Chandigarh) indicate that promised benefits frequently fail to materialize while consumers and employees face uncertainty.

XIII. NO DEMONSTRATED CONSUMER BENEFIT

The petitioner has failed to establish:

- **Reduction in consumer tariffs;**
- **Measurable improvement in reliability;**
- **Benefits of network duplication;**
- **Long-term consumer welfare gains.**

The mere promise of competition cannot be treated as sufficient justification for grant of a licence.

The burden lies on the petitioner to demonstrate clear and measurable public benefits, which has not been done.

XIV. PUBLIC INTEREST CONSIDERATIONS

Electricity is an essential public service and not merely a commercial commodity.

The Commission is obligated to protect:

- **Consumer interests;**
- **Universal service obligations;**
- **Public accountability;**
- **Financial viability of utilities;**

- Grid stability;

- Long-term sustainability of the power sector.

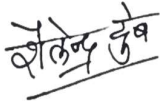
The present proposal is inconsistent with these objectives.

PRAYER

In view of the facts stated above, AIPEF respectfully prays that the Hon'ble Commission may:

- 1. Reject Petition No. 30 of 2026 filed by M/s Eleven Power Private Limited seeking grant of a distribution licence for Gurugram and Nuh Revenue Districts.**
- 2. Hold that grant of a parallel licence in revenue-rich areas is contrary to public interest and detrimental to the financial viability of DHBVNL.**
- 3. Protect the existing cross-subsidy framework essential for affordable electricity supply to agricultural, rural and economically weaker consumers.**
- 4. Direct that no parallel licence application be considered until a comprehensive consumer migration and multi-licensee regulatory framework is notified.**
- 5. Order an independent technical and financial impact assessment regarding grid security, stranded power purchase liabilities, transmission commitments and tariff impact.**
- 6. Safeguard employee interests in accordance with Section 133 of the Electricity Act, 2003.**
- 7. Ensure that no regulatory decision results in deterioration of employee service conditions, employment opportunities or statutory protections.**
- 8. Preserve the integrity of the public electricity distribution system and prevent selective privatization of profitable consumer segments.**
- 9. Pass such other orders as this Hon'ble Commission may deem fit in the interest of consumers, employees, public utilities and the power sector.**

Filed by,



Shailendra Dubey
Chairman