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Place: Panchkula / New Delhi
Date: .... September 2026

BEFORE THE HARYANA ELECTRICITY REGULATORY COMMISSION

IN THE MATTER OF:

Petition No. 30 of 2026 filed by M/s Eleven Power Private Limited under Section 14 read with Section 15 of the Electricity Act, 2003, seeking grant of a parallel distribution licence for the Revenue Districts of Gurugram and Nuh.

AND IN THE MATTER OF:

Comments and Objections on the Report of the Independent Expert Committee dated 07.08.2026, invited by the Hon'ble Commission by Interim Order dated 03.09.2026, to be filed on or before 15.09.2026.

COMMENTS / OBJECTIONS

MOST RESPECTFULLY SUBMITTED AS UNDER:

I. PRELIMINARY

1. These comments are filed pursuant to the Interim Order dated 03.09.2026, by which stakeholders were permitted to file comments on the Report of the Independent Expert Committee ("the Report") dated 07.08.2026.
2. EEFI ("the Objector") has already filed written objections to Petition No. 30 of 2026 and has made oral submissions at the public hearing. Those are adopted. This filing is confined to the Report.
3. The Report is advisory. Chapter 1 records that the Committee was constituted to assist the Commission and that the burden of proving statutory compliance is on the Applicant. The power to grant or refuse a licence under Sections 14, 15 and 16 of the Electricity Act, 2003 ("the Act") remains with this Hon'ble Commission. A recommendation that the licence "may be considered for grant" is not an entitlement.
4. EEFI prays that the petition of M/s Eleven Power Private Limited ("the Applicant / EPPL") be rejected. The sixth proviso to Section 14 permits more than one distribution licensee in the same area. It does not require the Commission to grant a licence. On this record, public interest, consumer interest, universal service, the requirement of an own distribution system, and the financial position of DHBVNL require refusal.

5. There is no occasion to keep the petition pending for a future framework, and no occasion to grant it subject to conditions. If the law or the State framework changes later, the applicant must file a fresh petition under Section 15. Petition No. 30 of 2026 cannot be used as a continuing file for that purpose.
6. In chapter after chapter the Report accepts that the concerns of DHBVNL, EEFI and other objectors are real, and then treats them as "implementation issues" or "conditions subsequent". That is not a lawful method. A statutory gap, an unexplained CAPEX sequence, absence of a migration code, non-applicability of CSS/AS to switch-over, and capital sitting with the promoter instead of the licensee, go to whether a licence can be granted at all.

II. THE LEGAL POSITION RECORDED IN THE REPORT ITSELF

1. The sixth proviso is expressly qualified: each licensee must distribute electricity through its own distribution system, and must satisfy "the other conditions or requirements under this Act".
2. Chapter 2 of the Report records principles which support refusal in the present case:

   (a) Electricity distribution remains a licensed public-utility activity carrying continuing public obligations, and is not a mere commercial authorisation (paras 2.4 and 2.5).

   (b) The legislative model is regulated competition, not unrestricted entry (paras 2.7 and 2.12).

   (c) The 2022 amendments to the 2005 Rules were intended to prevent entry into isolated commercially attractive pockets and to prevent the licence being used only to serve selected consumer categories (para 2.9).

   (d) Universal Service Obligation attaches to every licensee for the whole authorised area, and an applicant cannot be tested only on ability to serve commercially attractive consumers (para 2.10).

   (e) Formal compliance with the 2005 Rules does not exhaust the Commission's enquiry. The Commission must still be satisfied that the licence can be implemented consistently with the Act and the public interest (paras 2.8, 2.11 and 2.12).

3. Chapter 3 records principles which the later chapters fail to apply:

   (a) Absence of monopoly does not create an automatic entitlement to a licence (Principle II, para 3.4).

   (b) Capital adequacy, creditworthiness and code of conduct are mandatory threshold requirements, and the Commission must examine whether the financial arrangements are credible, enforceable and sufficient (Principle V, para 3.7).

(c) Conceptual proposals or broad statements of intent cannot by themselves establish technical capability. Objective evidence capable of independent evaluation is required (Principle VI, para 3.8).

(d) Parliament intended competition through an independent distribution system, not commercial participation on another licensee's network (Principle VII, para 3.9).

(e) Public interest is the governing and integrating consideration, and licensing is not confined to formal statutory compliance (Principle VIII, para 3.10).

4. Chapter 1.7 of the Report lists five standards of review, including consumer interest and public interest. Chapter 1.8 places the burden of proof on the Applicant. Conditions written after grant do not discharge that burden.

III. CHAPTER-WISE COMMENTS ON THE REPORT

A. Chapters 1 to 4 — Scope, scheme and facts

1. No objection is taken to the statement of facts or to the Committee's description of its Terms of Reference. What is objected to is the assumption that, because the Act permits parallel licensing, grant is the default outcome.

B. Chapter 5 — Comparative experience: the Mumbai analogy is inapt

1. The Report relies almost entirely on the MERC order granting a distribution licence to Tata Power in Mumbai (Case No. 90 of 2014) and on subsequent APTEL affirmation. That analogy does not apply to Haryana.
2. Tata Power was not a 2025 special-purpose company. It was an existing Mumbai utility with historical licences, an operating organisation, generation assets and a Supreme Court-recognised wires arrangement. The Report itself records, in Chapter 16, that the Mumbai "change-over" (supply by Tata Power over the incumbent's wires) is not transposable to the present case, because the sixth proviso requires supply through the applicant's own system. Once that feature is unavailable, the Mumbai "grant first, plan later" method cannot be treated as a template.
3. Even in Mumbai, MERC required a detailed Network Roll-out Plan, a balanced consumer-mix obligation and a Commission-approved Migration Protocol before large-scale migration. Haryana has none of these instruments. The Report admits that the Applicant's Annexure J cannot bind DHBVNL and that no State migration framework exists.
4. Contrary Indian experience has not been given due weight. In Karnataka, when Tata Power applied for parallel licences, public opposition and the objection of the State Government forced withdrawal of the applications. The first wave of privatisation in Odisha failed and had to be reversed. Private distribution in Chandigarh produced employee dislocation and consumer grievance. No parallel-licensing experiment of the present kind — a new company, a paper network, and the richest circles of a State DISCOM — has succeeded in India.

C. Chapter 6 (ToR 3.1) — Eligibility and capital adequacy

1. The Committee treats inclusion of the whole of Gurugram and Nuh as satisfying the minimum-area requirement of the 2022 amendments. Inclusion of Nuh on the map is not discharge of obligation in Nuh. The 2022 amendments, as the Report itself says in para 2.9, were meant to stop commercially selective entry. If the Applicant can defer Gurugram City capital expenditure by two years, and back-load 84 per cent of total CAPEX into years three to five, the area served in the first years will not be the area shown on the licence map.
2. On capital adequacy, the Committee accepts promoter market-value net worth of about Rs. 4,085.60 crore as satisfying Rule 3, against a 30 per cent equity requirement of about Rs. 1,415 crore on a CAPEX of Rs. 4,716.73 crore. That does not establish the capital of the licensee.

    (a) The licensee company is EPPL, not the promoter group. EPPL is a 2025 company with paid-up capital of about Rs. 1 crore. Market valuation of a holding LLP is not cash in the licensee.

    (b) Chapter 3, Principle V, requires arrangements that are credible, enforceable and sufficient. An earmarking proposal of Rs. 1,500 crore after grant, and an in-principle Phase-1 debt sanction of Rs. 205 crore, do not meet that test now.

    (c) This Hon'ble Commission had already asked for the distinction between book value and market value. The Report does not resolve that distinction.

3. Rule 3(2) may permit regard to the promoter. It does not treat an unenforceable group balance-sheet as the capital of the licensee. Want of enforceable capital in EPPL is a ground for rejection.

D. Chapter 7 (ToR 3.2) — Finance and CAPEX phasing

1. The Committee records that about 84 per cent of the Rs. 4,716.73 crore CAPEX is planned only in FY 2028-29 to FY 2030-31. It then holds that there is no financial deficiency of a magnitude constituting an independent ground for refusal.
2. The objection is not that a five-year programme is unlawful. The objection is the sequence: a thin early-year network, high-ABR HT and commercial load first, rural and LT obligation later. The Committee itself finds that the two-year deferral of Gurugram City investment is "not fully answered". A plan that is 84 per cent later and 16 per cent now is not objective evidence of capability under Chapter 3, Principle VI.
3. The Committee treats the Applicant's sales, migration and revenue projections as "planning assumptions", and then uses a 2.5 per cent switch-over to play down stranded cost and FSA. If the figures are only assumptions, they cannot prove that harm will be modest. If they are reliable, they prove that paying load will leave DHBVNL. Either reading supports rejection.

E. Chapter 8 (ToR 3.3) — Technical and managerial capability

1. Capability is accepted through a consortium MoU and a Responsibility Matrix. EPPL has never operated a distribution system. A MoU is not an organisation. Chapter 3, para 3.8, says conceptual proposals cannot establish technical capability.
2. Detailed engineering, EPC award, land tenure, right-of-way, protection studies and control-centre architecture are left to "implementation stage". For a new company proposing to overlay Gurugram and Nuh, those are the system, not leftovers. A licence without them is a right to solicit consumers on a future network.

F. Chapter 9 (ToR 3.4) — Transmission, STU and grid

1. The Committee holds that no STU no-objection is required before grant, and that interconnection, GNA, load-flow, short-circuit, protection coordination and SCADA compatibility may follow the licence. HVPNL / SLDC readiness and spare transformation capacity are questions of system security. They have to be answered before a second set of 220/33 kV interfaces is authorised in Gurugram. A condition of "60 days before energisation" does not protect the grid if land, bays and GNA are not available after the licence has already been issued.

G. Chapter 10 (ToR 3.5) — Power procurement

1. The Committee does not treat long-term PPAs as a precondition to grant. It calls stranding of HPPC / DHBVNL contracted capacity "modest and gradual". Contracted capacity does not fall when sales leave. Two-part tariffs continue to recover fixed charges from the residual consumer base. Chapter 13 accepts that fixed cost is sticky. "Modest" on a 2.5 per cent assumption is not a finding.
2. Future PPAs of the Applicant will require approval under Section 86(1)(b). That is not a reason to grant now. The Applicant has not shown how USO in Nuh and rural Gurugram will be supplied in years 1 and 2, while DHBVNL remains bound to long-term stations.

H. Chapter 11 (ToR 3.6) — Universal Service Obligation

1. The Committee accepts that USO attaches equally to the new licensee, that rollout will be phased, and that the two-year deferral of Gurugram City investment is not fully answered. That deferral leaves costly urban work behind and the paying load available first. Nuh on the map does not discharge USO in Nuh. Deferral of Gurugram City network investment does not stop early taking of HT and dedicated-feeder load, which needs little new public network.
2. Dedicated feeders and HT industrial / commercial consumers are the category National Electricity Policy para 5.4.7 warned against as the target of cherry-picking. HT migration cannot precede independently verified coverage of LT, rural and Nuh obligation. A condition that phasing "shall not operate as permanent exclusion" does not meet the harm of the first twenty-four months. USO postponed is USO denied.

I. Chapter 12 (ToR 3.7) — Consumer migration

1. The Committee finds:

    (a) the Applicant's proposed protocol (Annexure J) cannot bind DHBVNL;

    (b) Haryana has no notified multi-licensee migration framework;

    (c) CSS and Additional Surcharge under Section 42 do not apply to a full switch-over from one distribution licensee to another;

    (d) those gaps are "not threshold statutory conditions" and may be filled after grant, on the Maharashtra model.

2. Findings (a) to (c) are correct. Finding (d) is not. There is at present no law governing how a consumer moves, how arrears including FSA are settled, how security deposit is transferred, how meters are changed, or how the incumbent is compensated. Chapter 16 of the Report itself warns that where migration is left to evolve after commencement, prolonged regulatory intervention follows. That is a reason to reject this petition. EEFI does not ask the Commission to notify a framework so that this petition can later be allowed.

J. Chapter 13 (ToR 3.8) — Tariff, cross-subsidy, FSA and stranded cost

1. The Committee records that Gurugram and Nuh together account for about 35 per cent of DHBVNL sales and more than 42 per cent of DHBVNL revenue. This is not a neutral whole-area proposal. It is a proposal for the highest-revenue slice of DHBVNL, with Nuh added to meet the 2022 area rule.
2. The Committee agrees that CSS and Additional Surcharge do not apply to full switch-over. It further finds that Haryana has no purpose-built recovery mechanism, and that the adequacy of ARR true-up as a substitute "has not been demonstrated". True-up is retrospective and is spread over whoever remains. Residual domestic, agricultural and small-commercial consumers would pay for the departure of high-ABR load.
3. On Fuel Surcharge Adjustment, the Committee contrasts DHBVNL's recovery of the order of Rs. 600 crore a year on the full area with the Applicant's suggested exposure of Rs. 17.17 crore on a 2.5 per cent migrant set. FSA is a deferred fuel / power-purchase cost already incurred. If high-paying consumers leave, the unrecovered FSA stays and is divided over fewer units. The burden on consumers who cannot migrate rises. That is a ground for refusal now, not an ARR entry later.
4. The same logic applies to stranded PPA fixed costs. Sales can migrate. Contracted capacity cannot. HPPC / DHBVNL fixed charges will be socialised over a poorer residual mix. Calling this "modest" on a 2.5 per cent assumption is circular.

K. Chapter 14 (ToR 3.9) — System planning and duplication

1. Avoidable duplication of 33 kV and LT network in a dense city, under-utilisation of RDSS, smart-metering and underground-cabling assets already paid for by the public, and right-of-way conflict with GMDA, HSVP, NHAI, metro and railways, are treated as matters for annual rolling plans. A second network that is not coordinated before grant will either waste public assets or lean on DHBVNL's system, which the sixth proviso does not allow.
2. The Committee's own conditions include a Supplier-of-Last-Resort / insolvency continuity framework that does not yet exist. That is unreadiness. Unreadiness is a ground to reject the petition.

L. Chapter 15 (ToR 3.10) — Public interest

1. The Committee records that DHBVNL's Consumer Migration Impact Assessment raises "significant" and "legitimate" issues of migration, revenue, cross-subsidy, FSA, stranded assets and PPAs, and infrastructure utilisation. It then holds that those issues do not constitute overriding public-interest considerations because they can be addressed after operations begin.
2. A documented risk to more than 42 per cent of a public DISCOM's revenue, to FSA recovery, to contracted generation and to residual consumers is a public-interest ground for refusal under Sections 14, 15 and 16. Chapters 1.7, 2.11 and 3.10 treat public interest as the governing standard. It cannot be postponed to tariff true-up.
3. On employees, the Committee holds that Section 133 of the Act is not attracted because there is no transfer of undertaking, and that any effect on DHBVNL will be taken in ARR and truing-up. The objection is not limited to Section 133. It is the public interest in employment, skill and industrial peace in an essential service. ARR does not protect a post that is frozen or an establishment that loses the load which funded it. Chandigarh remains a caution.
4. Constitutional arguments under Articles 21, 38, 39(b) and 48-A are dismissed on the ground that Parliament intended competition. Parliament also intended universal supply, consumer protection and financial sustainability of utilities. Even though the Act contains a provision for a second licensee, public interest on these facts requires that no licence be issued.

M. Chapters 16 and 17 — Safeguards and residuary issues

1. Chapter 16 lists conditions taken from the Mumbai Tata Power licence: nodal officer, plan within 90 days, milestones including Nuh, studies before energisation, interconnection agreement, last-resort framework, rolling capex, half-yearly reporting. The length of that list shows the application is not ready. Conditions cannot replace a licensee that does not yet exist as an operating utility.
2. Chapter 17 says the migration-cost gap is general to the State and is therefore not a reason to refuse this licence. If the gap is general, this petition cannot be allowed.

EEFI does not ask that the missing instruments be notified in order to clear this application.

N. Chapter 18 — Consolidated recommendation

1. Para 18.20 says the licence "may be considered to be granted" subject to Schedules A to D. That does not bind the Commission. The risks recorded in Chapters 7, 11, 12, 13 and 15 are reasons to reject the petition. They are not annexures to a grant.

IV. REASONS FOR REJECTION

The Act may permit a second licensee in a fit case. This petition is not a fit case. The Report's own findings are enough to refuse it.

Reason 1 — Threshold conditions are not met

Chapter 3 holds that capital adequacy is a condition precedent and that technical capability requires objective evidence, not intent. EPPL has about Rs. 1 crore paid-up capital, a promoter valuation, an in-principle facility of Rs. 205 crore, 84 per cent of CAPEX in years three to five, no GNA, no interconnection agreement, no awarded EPC and no operating organisation. The threshold is not crossed. Schedules A to D cannot create a threshold after grant. Want of threshold is a ground for rejection.

Reason 2 — There is no own distribution system

The sixth proviso requires distribution "through its own distribution system". A licence used to sign HT consumers while the network is on paper is parallel supply, not parallel distribution. The Report itself distinguishes change-over and open access from parallel licensing. The Act does not permit a parallel licence without development of own network. A five-year CAPEX programme is not a network. This alone requires rejection.

Reason 3 — Switch-over cost cannot be recovered

CSS and Additional Surcharge do not apply to full switch-over. Haryana has no substitute instrument. ARR true-up has not been shown to be adequate. Gurugram and Nuh hold more than 42 per cent of DHBVNL's revenue. Grant on this record would leave stranded PPA cost and deferred FSA on residual consumers. That is a ground for rejection, not a matter for later regulation.

Reason 4 — Public interest is not served

The Act contains a provision for a second licensee. That does not mean this licence should be granted to this company for these two districts on this record. Chapter 15.7(iv) calls DHBVNL's concerns legitimate and significant. Those concerns stand unremedied. Public interest in residual consumers, in Nuh and rural supply, in public employment, and in assets built with public money, requires rejection.

In addition to the above, the following findings of the Report themselves support rejection:

(i) burden of proof is on the Applicant (Ch. 1.8);

(ii) the 2022 Rules were meant to stop pocket licensing (Ch. 2.9);

(iii) conceptual plans do not prove technical capability (Ch. 3.8);

(iv) 84 per cent of CAPEX is in years 3 to 5 (Ch. 7);

(v) two-year deferral of Gurugram City investment is unexplained (Ch. 11 / 18);

(vi) no binding migration protocol; no Haryana migration framework (Ch. 12);

(vii) CSS / AS do not apply; no substitute is in place; ARR adequacy is not shown (Ch. 13);

(viii) Gurugram and Nuh exceed 42 per cent of DHBVNL revenue (Ch. 13);

(ix) FSA and stranded PPA cost will sit on residual sales (Ch. 13);

(x) DHBVNL's impact assessment raises legitimate and significant concerns (Ch. 15.7);

(xi) no Supplier-of-Last-Resort framework exists (Ch. 14 / 16);

(xii) the Report is only recommendatory (Ch. 1).

The following conclusions of the Report ought not to be adopted:

(i) that promoter market-value net worth is the capital of the licensee;

(ii) that a consortium MoU proves distribution capability;

(iii) that Mumbai Tata Power governs a 2025 special-purpose company in Haryana;

(iv) that a 2.5 per cent assumption proves modest harm;

(v) that absence of a State framework is not a ground to refuse this petition;

(vi) that Section 133 exhausts the employee objection;

(vii) that mention of competition in the Act satisfies public interest;

(viii) that Schedules A to D can cure want of readiness.

V. PRAYER

1. EEFI prays that this Hon'ble Commission may be pleased to:

(a) take these comments on record in Petition No. 30 of 2026;

(b) reject the petition of M/s Eleven Power Private Limited for grant of a parallel distribution licence for the Revenue Districts of Gurugram and Nuh;

(c) hold that the sixth proviso to Section 14 is enabling, not mandatory, and that public interest, consumer interest, universal service, the requirement of an own distribution system, and the position of DHBVNL require rejection of this petition;

(d) hold that the gaps recorded by the Expert Committee are grounds for rejection, and not a basis for conditions or for keeping the petition pending;

(e) hold that if the statutory or State framework changes later, any application shall be a fresh petition under Section 15, and that Petition No. 30 of 2026 shall not be treated as pending for that purpose;

(f) direct DHBVNL to continue as the distribution licensee for the area and to strengthen its operations through public investment, modernisation and employee participation;

(g) hear EEFI before any final order; and

(h) pass such other order as may be just, short of grant of the licence.

2. EEFI reserves its right to make further submissions, to produce additional material, and to address any reply filed by the Applicant.

Respectfully submitted,

For Electricity Employees' Federation of India

Sudip Dutta
General Secretary

Copy to:

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Note: This filing is in continuation of EEFI's earlier written objections in Petition No. 30 of 2026. Those pleadings are adopted and not repeated except to the extent required to answer the Expert Committee Report.