

BEFORE THE ELECTRICITY OMBUDSMAN
(For the State of Goa and Union Territories)
Under Section 42 (6) of the Electricity Act, 2003
3rd Floor, Plot No. 55-56, Udyog Vihar - Phase IV, Sector 18
Gurugram (Haryana) 122015,
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Appeal No-249of 2025 &
252 of 2025

Date of Video Conferencing: 01.12.2025 &
15.12.2025
Date of Order: 22.12.2025

In the matter of

1. Shri Abhishek R/o 619, Sector-11, Chandigarh in Case No 249 of 2025
 2. Sh. Sanjay Kumar R/o2206-A, Sector 27C, Chandigarh in Case No
252 of 2025
- Appellant(s)

Versus

1. Executive Engineer 'OP.3'
CPDL, Chandigarh.
 2. The Project Director,
CREST – Chandigarh Renewable Energy Science & Technology Promotion
Society,
First Floor, Paryavaran Bhawan,
Madhya Marg, Sector 19-B, Chandigarh.
 3. The Superintending Engineer / Chief Engineer
Electricity Department,
Chandigarh Administration, Chandigarh.
Chandigarh
- Respondent(s)

ORDER

These appeals, being Appeal No. 249 of 2025 and Appeal No. 252 of 2025, have been preferred under Section 42(6) of the Electricity Act, 2003, read with Regulations 35 and 36 of the Joint Electricity Regulatory Commission (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2024, assailing the orders dated 16.10.2025 passed by the Learned Consumer Grievance Redressal Forum (CGRF), Chandigarh, in Complaint No. G-12/2025 and Complaint No. G-26/2025, respectively.

Appeal No. 249 of 2025 was instituted on 24.09.2025, while Appeal No. 252 of 2025 was instituted on 11.11.2025. In Appeal No. 249 of 2025, the Appellant, Mr. Abhishek, had approached this Authority during the pendency of the complaint before the Learned CGRF. Upon the CGRF subsequently passing its order dated 16.10.2025, the said order was placed on record, and the appeal was thereafter considered for admission. Appeal No. 249 of 2025 was admitted on 30.10.2025, and Appeal No. 252 of 2025 was admitted on 11.11.2025, along with the appeal filed by Mr. Sanjay Kumar, arising out of the corresponding CGRF order.

Upon admission of the appeals, notices were issued on 30.10.2025 and 11.11.2025, respectively, to the Respondents, namely the Executive Engineer, 'OP-3', Chandigarh Power Distribution Limited (CPDL) and M/s Chandigarh Renewable Energy and Science & Technology Promotion Society (CREST), calling upon them to file their replies to the appeals. Respondent No. 1, CPDL, filed its reply/comments vide Letter No. CPDL/DIR/25-26/112 dated 11.12.2025, which were taken on record. Respondent No. 2, M/s CREST, filed its reply vide email dated 16.12.2025, which was also taken on record.

Both appeals were thereafter listed for hearing together. Having regard to the pleadings on record and noting that the appeals arise out of a common factual and legal matrix, including the installation of rooftop Solar Photovoltaic (SPV) systems on Government residential accommodations,

levy of Solar User Charges through electricity bills, and alleged enhancement of sanctioned load, this Authority considered it appropriate to hear and decide both appeals together. Accordingly, the appeals were clubbed for the purpose of adjudication.

The parties were heard, and the record has been carefully perused. The submissions advanced on behalf of the Appellants and the Respondents are noticed hereinafter.

A. SUBMISSIONS BY THE APPELLANT-1

The Appellant-1, Sh. Abhishek, resident of House No. 619, Sector-11, Chandigarh (hereinafter referred to as "the premises"). He holds an electricity connection under the Domestic Category sanctioned on 30.03.2022, bearing Account No. 102/1142/061904A and Meter No. CH1E232632.

He approaches this Forum because he is unable to pay the solar user charges that the Electricity Department has added to his monthly electricity bill.

The Appellant-1 submits that he occupies a government residential accommodation and did not apply for, request, or consent to the installation of any Solar Rooftop System on the premises allotted and occupied by him.

The Appellant-1 states that CREST, under the PM Surya Ghar Muft Bijli Yojana, identified 33 government houses for feasibility of Solar Rooftop installation and included his premises in that list (CREST No. CREST/03/2024/4785).

The Appellant-1 never applied for this installation and never executed any agreement for the Solar Rooftop System. (Annexure R-1 as filed by the Respondent)

The Appellant-1 submits that the Electricity Department installed a bi-directional net meter on 30.01.2025, pursuant to a Sundry Job Order issued by the SDO CPDL OP Sub-Division No. 2 (Book No. 019/040).

He never requested a bi-directional meter, nor did he seek net metering connectivity.



The Appellant-1 further submits that the Department started levying Solar User Charges of Rs. 300 per kWp per month, citing a letter dated 27.12.2019 issued by the Chandigarh Administration.

He asserts that these charges do not have approval of the Joint Electricity Regulatory Commission (JERC) and cannot be recovered from consumers without explicit regulatory sanction.

The Appellant-1 argues that he does not own, operate, maintain, or benefit from the Solar Rooftop Plant installed by CREST. He receives no net-metering credit or financial benefit of the solar generation.

Despite this, the Department has increased his sanctioned load and levied additional fixed charges and solar-user charges, causing recurring financial hardship.

The Appellant-1 submits that the Model Net Metering Connection Agreement placed on record by CREST (dated 23.01.2025) is an agreement executed between CREST (First Party) and Electricity Department, UT Chandigarh (Second Party).

He is not a party to this agreement, and he has not signed or consented to any terms affecting his rights as a consumer.

The Appellant-1 submits that Clause 5 of the Model Net-Metering Agreement deals with the period of the agreement and termination rights. The Complainant reiterates that:

The agreement treats CREST as the "Eligible Consumer",

Only CREST or the Licensee may terminate that agreement,

The agreement does not recognize the actual occupant or registered consumer residing in the premises.

He submits that this arrangement deprives him of his right to control the energy system installed on his roof and places him under financial liability without his consent. (Annexure R-4 as filed by the Respondent)

The Appellant-1 submits that the unilateral imposition of solar charges, enhancement of sanctioned load, and installation of net-metering arrangements without his consent violate:

The Electricity Act, 2003,
The Electricity (Rights of Consumers) Rules, 2020,
JERC Supply Code and Net-Metering Regulations,
Basic principles of consumer protection.

B. Submissions of the Second Appellant-2 – Mr. Sanjay Kumar

1. Mr. Sanjay Kumar resides in a government accommodation where his electricity meter was replaced by the Electricity Department (now CPDL) on 09.10.2021, after Department staff informed him that he must enhance his sanctioned load to receive a rooftop solar connection and that he would benefit through reduced bills without any additional charges.
2. Acting on these assurances, he deposited Rs. 3,222/- on 03.06.2021 towards security and service connection charges. He stated that other Government accommodation allottees were never charged for such load enhancement, making the demand discriminatory and arbitrary.
3. He stated that instead of receiving benefits, his electricity bill increased significantly (first bill amounting to Rs. 4,748/-). He described that the solar rooftop system was connected before the MCB, preventing him from switching it off, and the devices installed below the panels consume electricity drawn from his meter—making him a “proxy producer” without compensation.
4. He asserted that Solar User Charges are being levied without the approval of JERC, and that the sanctioned load was enhanced solely based on the agreement executed between CREST and the Electricity Department. He never provided written consent for such enhancement.
5. He previously approached CGRF on 28.03.2022, but the Forum declined to intervene citing it as a “policy matter”. Lacking knowledge of the appellate procedure, he did not file an Ombudsman appeal at that time.

6. He again approached CGRF on 04.06.2025. The Forum partly resolved his grievance by ordering non-charging of solar user charges from 04.06.2025 until the SPV system becomes functional. However, his core grievances remain:
- he seeks to pay only for actual consumed units,
 - he seeks restoration of his original sanctioned load,
 - he seeks an end to the levy of solar user charges,
 - he seeks refund of all such charges wrongly imposed,
 - he seeks compensation for financial burden and misinformation.
7. He submitted that consumers receive no benefit of surplus solar generation, neither as unit adjustment nor as monetary credit. Solar generation is recorded, but excess units are not credited under net metering principles. Instead, consumers incur a fixed liability under "Solar User Charges".
8. He stated that devices attached to the solar plant draw electricity from his meter and cause additional burden. He further submitted that in other Government accommodations (e.g., House No. 2205, Sector 27-C), CREST took an independent connection for the solar plant instead of burdening the consumer.
9. He requested that his connection should not be disconnected, no solar charges be imposed, sanctioned load be restored without fee, excess charges be refunded, and CPDL be directed to route solar installations through independent meter rather than consumer connections.
- C. Common Grievances of Both Complainants
- Both complainants collectively submit that:
1. Solar User Charges are being levied without approval of JERC, making them illegal and unsustainable.
 2. Sanctioned load has been enhanced without consent, resulting in higher fixed charges.



3. They were neither applicants nor beneficiaries of rooftop solar, which was installed by CREST with Government funds.
4. Net metering benefits are not being passed to them despite the system being connected (or claimed to be connected) through their meters.
5. They cannot be held responsible for an agreement between CREST and CPDL, as they are not parties to it.
6. No law, regulation, or tariff order authorizes charging Government accommodation allottees for a Government-funded solar system installed without consent.
7. They seek protection from disconnection, refund of all wrongly-levied charges, and restoration of their original sanctioned load.

D. Relief Sought (Combined)

Both complainants jointly seek the following reliefs:

1. Immediate cessation of Solar User Charges and direction not to levy such charges without JERC approval.
2. Refund of all Solar User Charges collected so far.
3. Restoration of their original sanctioned load or revision of load without any charges.
4. Credit of surplus solar generation (if any) as per Net Metering Regulations or routing solar generation away from their meters.
5. Direction to CREST/CPDL to take an independent connection for solar plants instead of burdening consumers.
6. Compensation for unilateral load enhancement, misinformation, forced integration of solar plants, and wrongful billing.
7. Protection from disconnection during pendency of adjudication.

E. Submissions of Respondent-1

CPDL submits that it functions as a deemed Distribution Licensee under the fifth proviso to Section 14 of the Electricity Act, 2003, with effect from 01.02.2025, pursuant to the Chandigarh Electricity Reforms Transfer Scheme, 2025 notified on 31.01.2025. From the Transfer Date, CPDL assumed responsibility for distribution and retail supply of electricity in the

Union Territory of Chandigarh in continuation of functions earlier discharged by the Electricity Wing of the Engineering Department, Chandigarh Administration.

CPDL derives its authority, obligations, and limitations strictly from the Transfer Scheme and the Electricity Act, 2003. CPDL does not possess any independent policy-making power in respect of tariff, levies, or Government charges.

The Appellants challenges the levy of Solar User Charges reflected in electricity bills for Government residential accommodation. The challenge does not pertain to any action initiated or devised by CPDL. Instead, it questions the legality and propriety of a Government policy decision implemented through statutory directions.

The Consumer Grievance Redressal Forum dismissed the complaint on the ground that it lacked jurisdiction to examine the validity of Government policy or administrative orders. The said finding aligns with the statutory framework governing Consumer Grievance Redressal.

The Chandigarh Administration mandated installation of rooftop Solar Photovoltaic (SPV) systems in residential and non-residential buildings through statutory orders issued under the Capital of Punjab (Development and Regulation) Act, 1952, read with the Chandigarh Building Rules (Urban) Amendment, 2018. These orders imposed a mandatory obligation and did not operate on a voluntary or consumer-consent basis.

Pursuant to these statutory directions, the Chandigarh Administration implemented rooftop SPV installations on Government residential accommodations through CREST as a deposit work.

To recover costs associated with Government-owned rooftop solar assets, the Chandigarh Administration took a policy decision in a meeting chaired by the Finance Secretary on 19.12.2019. The Administration decided to recover Solar User Charges at a notified rate through electricity bills and to deposit the collected amount into the Consolidated Fund as Government revenue.



The Superintending Engineer, Electricity 'OP' Circle, issued binding directions on 26.12.2019 to recover Solar User Charges through electricity bills and remit the same to the Consolidated Fund. CPDL continues to act strictly in accordance with these binding directions.

CPDL performs a limited, ministerial role in billing and collection of Solar User Charges. CPDL does not determine the rate, applicability, duration, or structure of such charges. CPDL does not retain any portion of the collected amount and remits the entire collection to the Chandigarh Administration in compliance with the Transfer Scheme.

CPDL exercises no discretion to impose, modify, suspend, or withdraw Solar User Charges. Any deviation would place CPDL in breach of statutory obligations under the Transfer Scheme.

The Chandigarh Electricity Reforms Transfer Scheme, 2025 expressly recognizes and continues the levy and collection of Solar User Charges. Part F (ii) of the Scheme mandates CPDL to pass on Solar User Charges collected from consumers to the Chandigarh Administration within the prescribed timeframe and prescribes penal interest for delay.

The Scheme also binds all persons, including third parties, under Part D, Clause 7, consistent with Section 131(3) (b) of the Electricity Act, 2003. The Transfer Scheme therefore gives statutory continuity to the levy and recovery of Solar User Charges.

Solar User Charges do not constitute tariff under Section 62 of the Electricity Act, 2003. The Joint Electricity Regulatory Commission, in successive tariff orders from FY 2019-20 through FY 2025-26 onwards, has consistently clarified that tariff excludes taxes, duties, cess, and other statutory or administrative levies imposed by Government or competent authorities.

The tariff framework expressly permits recovery of Government-imposed levies in addition to approved tariff, without requiring Commission approval for each such levy. Solar User Charges fall squarely within this category.



Accordingly, the contention that Solar User Charges require prior approval of the Joint Electricity Regulatory Commission lacks legal foundation.

The JERC (Solar PV Grid Interactive System based on Net Metering) Regulations, 2019 and the Model Net Metering Connection Agreement place cost-bearing responsibility on the "Eligible Consumer." In Government residential accommodations, CREST acts as the Eligible Consumer and executes the Net Metering Agreement with the Distribution Licensee. The occupant of Government accommodation does not hold privity of contract under the Net Metering Agreement and cannot seek its termination or modification. CPDL correctly recognizes and implements the Agreement as executed between CREST and the Distribution Licensee.

The grievance raised, challenges a Government policy decision and its statutory continuation under the Transfer Scheme. Neither the CGRF nor the Electricity Ombudsman holds jurisdiction to invalidate or rewrite Government policy or statutory instruments.

In the absence of the Chandigarh Administration being impleaded, effective adjudication of the policy challenge remains legally impermissible.

Accordingly, Respondent-1 submits that

- a. CPDL has acted strictly in compliance with:
- b. Statutory directions of the Chandigarh Administration
- c. Binding provisions of the Transfer Scheme, 2025
- d. Tariff Orders of the Joint Electricity Regulatory Commission
- e. CPDL has neither initiated nor independently imposed Solar User Charges. Its role remains confined to billing and collection as a statutory obligation. The grievance raised does not lie against CPDL and seeks indirect review of Government policy, which falls outside the adjudicatory scope of this forum.



F. Submissions by Respondent-2 (CREST)

Respondent No. 2, Chandigarh Renewable Energy and Science & Technology Promotion Society (CREST), through its authorized representative, submitted the present consolidated counter statement in response to Appeal Nos. 249 of 2025 and 252 of 2025, filed before this Forum.

1. The present appeals primarily challenge the levy of Solar User Charges in Government residential accommodations where rooftop solar photovoltaic (SPV) systems have been installed as part of the Chandigarh Administration's Government Assets Saturation Program, implemented in furtherance of national renewable energy objectives.
2. CREST is a nodal and implementing agency of the Chandigarh Administration for planning, installation, and operation & maintenance (O&M) of rooftop solar photovoltaic systems on Government buildings and Government residential accommodations in Chandigarh.
3. The premises occupied by the appellants are Government-owned residential accommodations, and the rooftop solar systems installed thereon form part of Government infrastructure created and maintained using public funds.
4. The rooftop solar installations in question were undertaken pursuant to policy decisions of the Chandigarh Administration and were not individual consumer-driven installations. CREST undertook the installations strictly in accordance with its mandate and without entering into any contractual relationship with individual occupants of Government accommodations.
5. The decision to recover Solar User Charges through electricity bills of occupants of Government residential accommodations having rooftop solar systems, and to deposit such collections as revenue receipts of the Electricity Department, Chandigarh Administration in the Consolidated Fund, was taken in a meeting chaired by the Finance Secretary, Chandigarh Administration on 19.12.2019. (Annexure R-1)



6. CREST submits that it does not levy, bill, collect, or retain Solar User Charges. The said charges, wherever applicable, are recovered through electricity bills raised by the Distribution Licensee and are deposited in the Consolidated Fund as Government revenue.
7. The Solar User Charges are not a tariff determined or imposed by CREST, but form part of an administrative recovery mechanism evolved by the Chandigarh Administration for Government residential accommodations with rooftop solar assets.
8. CREST has no role in consumer billing, tariff determination, metering, energy accounting, load sanction, or load enhancement, all of which fall exclusively within the statutory domain of the Distribution Licensee.
9. CREST functions strictly as an implementing agency for Government renewable energy projects and does not exercise any statutory powers under the Electricity Act, 2003 with respect to consumer billing or tariff enforcement.
10. That the appellants have alleged discrepancies in billing calculations, banking of units, or adjustment of exported solar energy, CREST submits that such matters pertain exclusively to the Distribution Licensee, which is responsible for metering, billing, energy settlement, and accounting under the applicable regulations.
11. CREST maintains technical records relating to system capacity, commissioning, performance, and O&M status of rooftop solar plants and shall extend full cooperation by furnishing such records whenever called upon by the Distribution Licensee or this Forum.
12. However, CREST cannot be directed to refund any amount, as it neither bills nor receives any Solar User Charges or other electricity-related payments from consumers.
13. The prayer seeking removal of rooftop solar systems from Government accommodations or for providing independent electricity connections for solar equipment is misconceived and not maintainable against CREST.



14. The rooftop solar systems are Government assets, installed under a Government program, and form an integral part of the energy infrastructure of Government residential accommodations. Individual occupants have no proprietary rights over such systems.
15. Any modification, relocation, or disconnection of Government-installed rooftop solar systems falls within the exclusive administrative domain of the Chandigarh Administration, and not within the authority of CREST acting as an implementing agency.
16. CREST submits that it has acted strictly within the scope of its mandate and in compliance with Government policy decisions. No illegality, arbitrariness, or procedural impropriety can be attributed to CREST in the present matters.
17. The grievances raised by the appellants, insofar as they relate to billing, tariff, load enhancement, or metering, do not lie against Respondent No. 2.
18. In view of the facts and submissions made hereinabove, it is most prayed that this Forum may be pleased to:
- a) Dismiss Appeal Nos. 249 and 252 of 2025, as being devoid of merit insofar as Respondent No. 2 (CREST) is concerned;
 - b) Uphold the orders passed by the Consumer Grievances Redressal Forum, Chandigarh, in C.G. No. G-12/2025 and C.G. No. G-26/2025 dated 16.10.2025;
 - c) Pass such other or further order(s) as this Forum may deem fit and proper in the facts and circumstances of the case.

G. Additional submissions by the Appellant-1

The Appellant-1 reiterates that the Consumer Grievance Redressal Forum dismissed the complaint at a stage when the Independent Member had resigned and the Forum consisted only of the Chairperson and the Member representing the Distribution Licensee. Both remaining members being associated with the Distribution Licensee, the adjudication suffered from a reasonable apprehension of institutional bias. The dismissal, therefore, stood



vitiated on account of lack of effective and impartial composition, contrary to the principles of natural justice.

The Solar User Charge levied upon the Appellant is neither a tariff nor a statutory levy recognized under the Electricity Act, 2003. The charge is being collected through electricity bills without approval or concurrence of the Joint Electricity Regulatory Commission (JERC). The Respondent has sought to justify the levy on the basis of executive correspondence, which lacks statutory force.

The Appellant-1 submits that any charge recovered through the electricity billing mechanism necessarily falls within the regulatory oversight of the Commission. Collection of any such charge without regulatory approval is not permissible in law.

The rooftop solar installations in Government residential accommodations were undertaken pursuant to executive directions of the Chandigarh Administration and not under any statutory mandate traceable to the Electricity Act, 2003. Executive instructions cannot override the statutory requirement of regulatory scrutiny, especially where financial liability is imposed upon consumers.

The Respondent Distribution Licensee cannot absolve itself by characterizing its role as merely ministerial. As a licensed utility under the Electricity Act, 2003, the Respondent is statutorily obligated to ensure that all recoveries through electricity bills are lawful, transparent, and duly authorized by the Commission.

The contention that the levy emanates from policy decisions of the Chandigarh Administration does not cure the defect of absence of regulatory approval.

The Appellant-1 neither has consented to installation of the solar plant nor is a party to any net-metering agreement executed between the Respondent and CREST. The Appellant is not an "Eligible Consumer" under the Net Metering Regulations and cannot be burdened with financial obligations arising out of an agreement to which he is not a party. Imposition of charges



upon a consumer without consent or contractual privity violates settled principles of natural justice.

The Appellant submits that CREST executed affidavits and undertook actions purporting to represent the consumer without lawful authorization. The solar plant was connected to the consumer's internal installation/MCB, thereby exposing the consumer to technical, financial, and safety risks without consent.

The Appellant has derived no financial or energy benefit from the solar installation. On the contrary, the billing records placed before this Forum demonstrate increased financial burden. The levy of Solar User Charges, therefore, operates as a unilateral exaction rather than a compensatory or beneficial mechanism.

The Appellant further submits that the Respondent collects Solar User Charges, retains the amounts for a period, and thereafter transfers the same to the Consolidated Fund. Any interest accrued during such retention is unjustly appropriated, resulting in further financial prejudice to consumers.

The Appellant points out inconsistency between earlier noting's suggesting Solar User Charges as recovery of installation costs and subsequent communications dated 26.12.2019 indicating linkage with consumption of solar units. Such shifting stands further erode the legal sanctity of the levy.

The Net Metering Agreement cannot bind the Appellant, who is not a signatory. The Appellant further submits that the agreement does not adequately safeguard the consumer against risks, liabilities, or losses arising from operation of the solar plant within the residential premises.

The Respondent's attempt to deflect liability by contending that the Chandigarh Administration ought to be impleaded cannot defeat the Appellant's grievance. The billing and recovery are undertaken by the Distribution Licensee, which remains accountable to consumers under the Act.

In light of the above, the Appellant requested for the following reliefs:



- a) Direction for non-imposition of Solar User Charges upon the Appellant.
- b) Refund of Solar User Charges collected from inception, along with applicable interest.
- c) Refund of amounts recovered towards increased sanctioned load imposed without consent;
- d) Direction to disconnect the solar installation from the consumer's internal wiring/MCB.
- e) Direction for separate metering of the solar plant, independent of the consumer installation.
- f) Declaration that the consumer shall not be liable for energy consumed in operation of the solar plant.
- g) Direction permitting retention of increased sanctioned load without additional charges.
- h) Direction to CREST to shift the solar connection outside the consumer premises.
- i) Termination of the Net Metering Agreement dated 22.11.2024 insofar as it purports to bind the Appellant.

The Solar User Charge, as presently levied, lacks statutory backing, regulatory approval, and consumer consent. Its recovery through electricity bills is arbitrary, unsustainable, and violates the Electricity Act, 2003. The Appellant, therefore, prays for appropriate directions in the interest of justice

H. Proceedings and Hearing:

Mr. Abhishek and Mr. Sanjay Kumar appeared on 01.12.2025 & 15.12.2025 and placed their submissions. Mr. Abhishek submitted that CREST installed a Solar Rooftop Plant on the terrace of his government-allotted residence at Flat No. 619, Sector 11, Chandigarh under the PM Surya Har Ghar Muft Bijli Yojna. The Electricity Department/CPDL installed a net-metering meter on 30.01.2025 and increased his sanctioned load from 0.24 kW to 5 kW without his consent. CPDL thereafter began levying Solar User Charges at ₹300 per month. He stated that the Net Metering Agreement stands executed between



the Project Director, CREST and the Electricity Department, whereas the connection stands in his name. He objected to the levy of Solar User Charges and submitted that neither the increase in sanctioned load nor the imposition of these charges have any approval from JERC.

Mr. Sanjay Kumar, resident of Government Accommodation No. 2206-A, Chandigarh, raised similar issues. He submitted that CPDL replaced his electricity meter and directed him in June 2021 to enhance his sanctioned load to obtain a solar connection. He was assured that the Government would bear all expenses and that the solar installation would reduce his bill. Relying on this assurance, he deposited ₹3,222 on 03.06.2021 towards security and service connection charges. He submitted that other Government consumers receiving solar installations on Government rooftops were not asked to pay such charges. He stated that his first bill thereafter increased to ₹4,748 for the period 09.10.2021 to 30.01.2022. He approached CGRF on 28.03.2022 regarding the levy of Solar User Charges, but CGRF refused to intervene citing "policy" issues. He again approached CGRF on 04.06.2025 and received partial relief from Solar User Charges from 04.06.2025 until the SPV system becomes functional. However, he submitted that his grievance remains unresolved because Solar User Charges lack approval from JERC and he receives no benefit from surplus or banked units.

Mr. Sanjay Kumar concluded that (i) the solar device installed below the panel draws power from his electricity connection, (ii) he bears the cost of the consumed units without receiving any credit for surplus generation, and (iii) CPDL has imposed Solar User Charges without regulatory approval, creating an additional financial burden.

Mr. Dhruv Shakuntalam appeared for CPDL and submitted that CPDL does not possess any approved policy or Commission order authorizing the inclusion of Solar User Charges in consumer bills. He requested for two-week time to compile and submit all requisite documents and to verify whether any policy approval exists. He sought time to file a detailed response along with supporting records.

The Forum directed CPDL to ensure that no coercive action is initiated against the Appellants. No electricity connection shall be disconnected until the next date of hearing, subject to payment of regular energy charges.

The documents related to approval of policy for Solar usage charges hereinafter referred to as "SUC" and inclusion of Solar charges in the bill be submitted on or before 12th December, 2025.

The Forum further directs the Executive Engineer to submit a reading chart showing import and export units for at least five Government accommodation connections where Solar Rooftop Systems have been installed. The Executive Engineer shall file this information along with the Respondent's detailed written submission on the next date of hearing.

In the Hearing dated 15.12.2025 The Respondent-1 submitted that the details of the notification, if any, issued by the Chandigarh Administration in regard to charging of Solar Usage charges (SUC) is yet to be received from EWEDC and requested for Two days time to file the final submissions. Finally, CPDL through its AR submitted the final submissions on 17.12.2025 through Email and Rejoinder to the reply by the Respondent-1 has also been submitted on 17.12.2025 by the Appellant-1.

I. Findings and Analysis

Upon consideration of the pleadings, submissions, rejoinders, additional submissions, documents on record, and oral arguments advanced by Appellant Nos. 1 & 2 and Respondent Nos. 1 & 2, the following issues arise for determination:

- i Whether the levy and recovery of "Solar User Charges" (SUC) through electricity bills from occupants of Government residential accommodations is legally sustainable in the absence of express approval or determination by the Joint Electricity Regulatory Commission (JERC);
- ii Whether the Distribution Licensee can recover such charges merely on the basis of executive instructions / administrative decisions of the Chandigarh Administration;



- iii Whether the Appellants, being occupants/allottees of Government accommodation and not signatories to any Net Metering or Solar O&M agreement, can be fastened with contractual or financial liabilities arising therefrom;
- iv Whether the sanctioned load of the complainants was enhanced without their consent, and if such enhancement is legally valid?
- v Whether rooftop solar installations funded and owned by Government/CREST can impose obligations on consumers who did not apply for them and do not benefit from net metering?
- vi Whether the process adopted for replacement of the electricity meter and integration of the rooftop solar photovoltaic system **prima facie conforms to the procedural framework stipulated under the JERC Electricity Supply Code Regulations and the JERC (Solar PV Grid Interactive System based on Net Metering) Regulations, without examining the validity of the underlying policy decision?
- vii Whether the complainants are entitled to net-metering benefits (surplus unit adjustment or monetary credit)?
- viii Whether the role of Respondent No.2 (CREST) gives rise to any direct billing or refund liability towards the Appellants;
- ix Whether the orders passed by the CGRF suffer from infirmity warranting interference by this Ombudsman under the JERC (CGRF & Ombudsman) Regulations.
- x Any Solar Usage Charges, Security Deposit recovered on account of enhanced sanctioned load, and fixed charges levied on such enhanced sanctioned load, when charged to occupants of Government accommodation without prior regulatory approval or statutory backing, lack legal sanctity and are liable to be refunded, subject to verification and adjustment in accordance with the applicable The Electricity Supply Code 2018 and regulatory framework.



Analysis on above issues

Issue-1

The Appellants have consistently contended that Solar User Charges, though described as “user charges”, are in substance recoveries effected through electricity bills, thereby assuming the character of a charge incidental to supply of electricity.

Respondent No.1 has argued that SUC is neither tariff nor electricity charge but a policy-based recovery undertaken pursuant to directions of the Chandigarh Administration, and that the Distribution Licensee is merely a collecting agency.

This Ombudsman notes that under the Electricity Act, 2003, any amount recovered through the electricity bill, irrespective of nomenclature, must have statutory backing or regulatory approval, particularly where such recovery impacts a consumer.

The Hon’ble Supreme Court in *M/s K.K.K. Hydro Power Ltd. v. HPSEB & Ors.* (Civil Appeal No. 3005 of 2015) has categorically held that:

A distribution licensee cannot levy or recover charges relating to electricity supply or generation without approval of the State Electricity Regulatory Commission, and executive or contractual arrangements cannot override statutory mandate.

In the matter of *M/s Torrent Power Ltd. v. U.P. Electricity Regulatory Commission* (2025)

The Court reaffirmed that tariff determination is a statutory function of the Regulatory Commission, not a matter of private negotiation.

Any charges imposed by a DISCOM without commission approval are unlawful.

General Principle Established

The Supreme Court has consistently emphasized that tariffs, surcharges, or distribution companies without regulatory oversight cannot impose solar charges.

This ensures consumer protection and prevents arbitrary pricing



The ratio laid down therein squarely applies insofar as recovery through electricity bills is concerned. Mere classification of SUC as a "policy charge" does not dilute the requirement of regulatory concurrence, when such charge is imposed upon consumers through the billing mechanism of the Distribution Licensee.

Accordingly, this Ombudsman finds that recovery of SUC through electricity bills, without express approval or determination by JERC, is legally vulnerable insofar as individual consumers are concerned.

Under Section 62 and Section 86, tariff determination and approval of charges rest exclusively with the Commission.

Under Regulation 4.21 of the JERC Electricity Supply Code 2018, no charge may be levied, unless provided in the tariff schedule or otherwise approved.

The Solar User Charge does not appear in:

- The JERC Tariff Order,
- Any Regulation,
- Any Notification issued by JERC.

Administrative instructions issued by Chandigarh Administration cannot override the statutory jurisdiction of JERC. A licensee cannot levy a cost component, fee, or fixed charge in consumer bills unless the Commission approves it.

Issue-2

Respondent Nos. 1 and 2 have relied upon minutes of meetings and executive communications issued by the Chandigarh Administration in December 2019, contending that SUC is a Government decision forming part of a broader renewable energy policy.

While Government policy initiatives in furtherance of renewable energy are unquestionably within executive competence, it is well-settled principle that policy decisions cannot operate in derogation of statutory regulatory frameworks.



The Hon'ble Supreme Court has repeatedly held that executive instructions cannot substitute statutory regulations, particularly in sectors governed by independent regulatory bodies.

Therefore, while the policy decision per se is not under challenge before this Ombudsman, its implementation through electricity billing must conform to the Electricity Act, 2003 and JERC's regulatory oversight.

This Ombudsman, therefore, confines its scrutiny not to the policy itself, but to the manner of recovery from consumers, which falls squarely within consumer grievance jurisdiction.

Issue-3

It is an admitted position on record that:

- The rooftop solar systems are Government-owned assets;
- The Net Metering / O&M agreements have been executed between CREST and the Distribution Licensee;
- The Appellants are neither signatories nor consenting parties to such agreements.

In consumer jurisprudence, contractual liability cannot be fastened upon a person who is not a party to the contract, unless such liability is expressly imposed by statute.

The Appellants, as resident consumers, entered into an electricity supply relationship with the Distribution Licensee under the Supply Code and Conditions of Supply. They did not enter into any agreement relating to installation, operation, or maintenance of rooftop solar plants.

Accordingly, this Ombudsman finds merit in the contention that financial or contractual obligations arising out of agreements between Respondent Nos. 1 and 2 cannot be automatically imposed upon the Appellants in the absence of consent or statutory mandate.

Issue 4:

Both complainants state that their sanctioned load was enhanced without written consent. Mr. Sanjay Kumar deposited Rs. 3,222/- on the



representation, that load enhancement was compulsory for solar installation. Mr. Abhishek alleges enhancement without notice or request.

Under Regulation 57 of the JERC Electricity Supply Code, sanction/extension of load must be applied for by the consumer, Recorded through a written application, processed only after explicit consent.

No provision authorizes automatic load enhancement due to departmental projects such as rooftop solar plants installed by the Government or CREST. The licensee cannot enhance sanctioned load on the basis of an agreement between CREST and the Electricity Department, because the complainants are not parties to that agreement.

Load enhancement affects fixed charges and changes the contractual terms of supply. Such change requires consumer consent.

The sanctioned load enhancement in both cases occurred without informed consent and without compliance with the JERC Supply Code. The enhancement is invalid, and the sanctioned load must be restored or revised without cost to the complainants.

Issue-5

The record shows:

- CREST installed rooftop solar systems on Government accommodations under PM Surya Ghar Muft Bijli Yojna scheme.
- The Government funded these systems.
- Complainants neither applied nor consented to them for installation of Solar Rooftop system, addition of load etc.
- CPDL neither installed Net metering meter as per the approval of the consumers nor did they entered into an agreement with the consumer for Net metering connection.
- CPDL connected these systems to consumers' meters or represented that the connection was mandatory.
- Net metering benefits (surplus adjustment, banked units, and financial credits) are not provided to the complainants.



Under Regulation 4 of the JERC Net Metering Regulations, only an Eligible Consumer who applies for a rooftop solar system and signs an agreement becomes responsible for compliance and charges.

The complainants never signed such an agreement.

CREST, not the complainants, is the "Eligible Consumer" in the model agreement submitted by CPDL.

Therefore, obligations under that agreement cannot bind Government allottees.

Any system operating on Government expenditure must serve the Government's objectives and cannot impose recurring charges on unwilling allottees unless a regulatory framework authorizes such recovery.

Since the rooftop solar plants were not applied for or owned by the complainants, and no net-metering benefits accrue to them, they cannot be compelled to bear financial or operational burdens arising from these installations.

Issue-6

The Appellant-1 Mr. Abhishek states that the meter was replaced on 30.01.2025 without prior notice, without recording final reading in his presence, and without any documentation.

The Electricity Supply Code 2018 Regulation 6.13 & 6.15 mandates:

- Notice prior to meter replacement (except in emergencies),
- Sealing and recording of final reading in the presence of Consumer or his authorized representative.
- consumer acknowledgment,
- photographic record.

Mr. Abhishek produced photographs showing that the solar system was not connected to his meter despite the bidirectional meter installation. CPDL has not produced a joint reading record.

Mr. Sanjay Kumar raised similar issues regarding the manner of connection and inability to switch off the solar system because it was wired upstream of his MCB.



CPDL did not establish compliance with mandatory procedures for meter replacement and integration. The procedural lapses strengthen the complainants' case that solar integration was carried out without following regulatory safeguards.

Issue-7

Both complainants assert that they do not receive any benefit from solar generation.

CPDL states that CREST is the Eligible Consumer under the Net Metering Agreement.

Under Net Metering Regulations, the consumer who owns the rooftop system receives credit for surplus generation. In these cases, the complainants neither own the system nor derive benefit. They effectively bear costs without being beneficiaries.

If solar energy flows through their meter, they must receive (i) adjustment of units, or (ii) monetary credit. If no benefits accrue, forcing the system on them violates the principles of net metering.

The complainants receive no net-metering benefit, and cannot be treated as solar beneficiaries. Any solar energy generated should be treated as CREST's generation, not consumers.

Issue-8

CREST has categorically submitted that:

- it does not bill consumers;
- it does not receive Solar User Charges;
- SUC collections are credited to the Consolidated Fund as revenue of the Electricity Department / Distribution Licensee.

This position has not been controverted by documentary evidence.

Accordingly, this Ombudsman finds that no direct refund or billing liability can be entrusted upon CREST, though it remains accountable for technical and operational aspects of the solar installations as and when called upon by competent authorities.



Issue 9

The Appellants have raised serious concerns regarding the composition of the CGRF at the time of adjudication, particularly the resignation of the independent member.

Without entering into allegations of bias, this Ombudsman observes that consumer fora must inspire institutional confidence, and adjudication by a forum lacking full composition inevitably raises concerns of procedural propriety.

More importantly, the CGRF orders do not adequately examine the statutory requirement of regulatory approval for recovery through electricity bills, which goes to the root of the matter.

Accordingly, the CGRF orders, to the extent they uphold recovery of SUC from the Appellants without addressing the previously mentioned legal infirmity, cannot be sustained.

In exercise of the powers conferred under Section 42(6) of the Electricity Act, 2003, read with the Joint Electricity Regulatory Commission (Consumer Grievance Redressal Forum and Ombudsman) Regulations 2024, the following directions are issued:

1. The orders dated 16.10.2025 passed by the Learned Consumer Grievance Redressal Forum, Chandigarh, in Complaint No. G-12/2025 and Complaint No. G-26/2025, are set aside to the limited extent indicated in the findings above, having been passed on erroneous jurisdictional premises.
2. The Distribution Licensee shall not levy or recover Solar User Charges from the Appellants through electricity bills, unless and until such charges are:
 - o expressly approved or determined by the Joint Electricity Regulatory Commission, and
 - o duly incorporated within the applicable tariff order and/or Supply Code in accordance with law.



3. In respect of Government residential connections where no agreement exists between the Distribution Licensee and the consumer, any levy or recovery of Solar User Charges through electricity bills shall stand withdrawn, subject to further regulatory determination by JERC.
4. Any Security Deposit, if recovered from the Appellants or similarly placed occupants of Government accommodation without a bona fide request or statutory justification, shall be reviewed and refunded, strictly in accordance with the applicable Supply Code provisions.
5. Any enhancement of sanctioned load reflected in the consumer accounts of the Appellants shall be re-examined by the Distribution Licensee for compliance with:
 - the JERC Electricity Supply Code, and
 - consumer consent and procedural requirements, and appropriate corrective action shall be taken in accordance with law.
6. The Distribution Licensee is at liberty, if so advised, to place the entire issue of recovery of Solar User Charges from occupants of Government accommodation, including its legal basis and billing methodology, before the Joint Electricity Regulatory Commission for appropriate regulatory consideration.
7. It is clarified that no relief, direction, or liability is issued against Respondent No. 2 (CREST) in relation to billing or refund of Solar User Charges.
8. Nothing contained in this order shall be construed as:
 - adjudicating upon the validity of any Government policy,
 - determining or approving tariff or user charges, or
 - restraining the Joint Electricity Regulatory Commission from exercising its statutory powers under the Electricity Act, 2003.



9. The Distribution Licensee shall refund to the Appellants, after due verification, the following amounts recovered through electricity bills without regulatory approval:

- a) Solar Usage Charges;
- b) Security Deposit, if any, recovered solely on account of enhancement of sanctioned load; and

c) Fixed charges levied on such enhanced sanctioned load, from the date of their respective inclusion in the electricity bills, to the extent such recovery is found to be unsupported by tariff orders, the Supply Code, or express regulatory approval, and the refund shall be affected in accordance with the JERC Electricity Supply Code and billing adjustment provisions.

10. Certified copy of this order be sent to both the parties for compliance.

11. Compliance of these orders must be submitted within 30 days from the receipt of these orders by email.

12. The appeals are disposed of in the above terms, with no order as to costs.

Handwritten signature of Chandan Lal in black ink, with the date 22/12/25 written below it.

(C M Sharma)

Ombudsman (JERC)

Dated: 22.12.2025