

National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN
NEPRA TOWER Ataturk Avenue (East),
Sector G-5/1, Islamabad.
Ph:051-2013200, Fax: 051-2600021

Consumer Affairs Department

TCD.12/432 -2023 September 22, 2023

Chief Executive Officer
Bahria Town Private Limited (BTPL)
Safari Valley Office, Safari Homes, Sector-E,
Near Maintenance Office, Phase-VIII, Bahria Town
Rawalpindi.

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. EJAZ HUSSAIN MALIK & OTHERS AGAINST BTPL REGARDING EXCESSIVE BILLING
Complaint No. BTPL-Lahore-01-04-2023

Please find enclosed herewith the decision of NEPRA Consumer Complaints Tribunal dated September 22, 2023 regarding the subject matter for necessary action and compliance.

Copy to:

- Deputy Chief Executive
 Bahria Town Private Limited (BTPL)
 Safari Valley Office, Safari Homes, Sector-E,
 Near Maintenance Office, Phase-VIII, Bahria Town
 Rawalpindi.
- Brig. (Rtd.) Bakhtiyawar Lal Hussain Director (Services), Bahria Town Private Limited (BTPL) Corporate Head Office, Bahria Orchard, Raiwind Road, Bahria Town, <u>Lahore</u>. 042-35451384
- 3. Mr. Ejaz Hussain Malik House No. 433, Gulbahar, Sector C, Bahria Town, <u>Lahore</u> 0321-9412514

(Muhammad Bilal) Additional Director (CAD)

> NEPRA Islamabad

> > (CAD)



NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

Complaint No. BTPL-Lahore-01/04/2023

Mr. Ejaz Hussain Malik & Others

..... Complainant

VERSUS

Bahria Town Private Limited (BTPL)

..... Respondent

Safari Valley Office, Safari Homes, Sector-E Phase VIII, Bahria Town <u>Rawalpindi</u>.

Date of Hearing:

September 06, 2023

On behalf of

Complainant:

1) Mr. Ejaz Ahmed Gorcha, Advocate

2) Mian Zahid Advocate3) Malik Arshad Advocate

4) Mr. Asim Suri-BTPL Resident

Respondent: 1) Brig. (Rtd.) Bakhtawar Lal Hussain Director (Services), BTPL-Lahore

Subject: <u>DECISION IN THE MATTER OF COMPLAINT FILED BY MR. EJAZ HUSSAIN MALIK & OTHERS AGAINST BAHRIA TOWN PRIVATE LIMITED-LAHORE</u>

REGARDING EXCESSIVE BILLING

DECISION

This decision shall dispose of the complaint filed by Mr. Ejaz Hussain Malik & Others (hereinafter referred to as the "Complainant") against Bahria Town Private Limited-Lahore (hereinafter referred to as the "Respondent" or "BTPL") regarding the subject matter.

- 2. NEPRA received a complaint from the Complainants wherein the Complainants submitted as under:
 - i. The management of Bahria Town Lahore has violated NEPRA rules and supplying electricity to the residents by way of imposing illegal and unreasonable Electricity Tariff. Bahria Town Lahore is charging these "Tariff charges" to their residents on electricity bills for last 9 years by changing the name of these unlawful charges without any lawful justification
 - ii. On the protest/ objection of the residents of Bahria Town on unlawful collection of T-adjustments in the electricity bill, Bahria town Management discontinued the same and introduced a new head of charge in the name of operation costs (OPC). These OPC charges are illegal and also not sustainable under the law.



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- The new OPC charges are being charged to all consumers of Bahria Town @ 9 Rs./ unit which is neither approved by the NEPRA nor it can be collected from Bahria Town consumers, hence, the same is liable to be set-aside.
- 3. The subject matter was taken up with BTPL, Lahore. In response, BTPL vide letter dated May 12, 2023 stated that:
 - i. BTPL has a huge network of Street/Park Lights, Water Pumps, Turbines, Filter Plants and Masaajid where electricity is consumed regularly. The monthly consumption of the above to the tune of Rs. 83 Million are paid to LESCO through our electricity bills.
 - ii. In addition, Bahria Town has been providing uninterrupted electricity to its residents during the load shedding and shutdowns. Presently we are covering 50% of load shedding period through Diesel Generators and remaining 50% load shedding period is implemented as per the LESCO instructions. Despite ever increasing diesel price, there is a tremendous expenditure on diesel consumption its cost is not charged to the residents and entirely borne by the company.
 - iii. Previously all above mentioned expenditures were borne by BTPL. Due to heavy amount incurred every month BTPL management had decided to pass on these charges to the residents for utilizing the services and facilities. As per working carried out, Rs 6/- per unit were charged as 'Misc Charges'. The consumers had raised objection to the Misc Charges which were accordingly withdrawn from the consumers electricity bills.
- 4. In the meantime the complainants vide letter dated August 30, 2023 submitted as under:
 - i. The electricity consumers residing in the Bahria Town are currently being levied with extra charges through electricity bills in the guise of term OPC of which rate per unit has been fluctuating during the recent past at the behest of BTPL in contravention of the relevant rules and regulations.
 - ii. Additionally, during the month of August, 2023, a flat rate of Rs. 50 per unit is now being charged to the consumers/residents in complete disregard of peak/off peak units essentially violating the right of electricity consumers.
 - iii. The Comprainant prayed to intervene in the matter and direct BTPL to remove extra charges and issue electricity bills in accordance with the approved tariff rates.
- 5. In order to proceed further, a hearing was held on September 06, 2023 at NEPRA Head Office, Islamabad. The hearing was attended by representative of BTPL and the Complainants. During the hearing, the issue was discussed in detail. BTPL representative stated that the instant matter is pending adjudication before the Honorable Lahore High Court.
- 6. The case has been examined in detail in light of the record made so available by parties, arguments advanced during the hearing and applicable law. Following has been observed.



NEPRA



- i. As a matter of fact, BTPL is involved in distribution and resale of electricity which are licensed activities and in this regard, Section 20 of the NEPRA Act states that "No person shall, except under the authority of license issued by the Authority under this Act and subject to the conditions specified, engage in the distribution of electric power." Accordingly, the application of BTPL for obtaining a Distribution License is currently pending with the Authority and the same shall be decided after due diligence
 - ii. According to the complainants, BTPL has imposed a Flat Rate i.e. Rs. 50 per unit in electricity bills during the month of August, 2023 without segregation of units based on the peak/off peak timings while the Flat Rate also clubbed Quarterly Tariff Adjustment (QTAs), Electricity Duty (ED) and Financial Cost Surcharge (FC) etc. The issue of charging higher tariff by BTPL is sub-judice before the Honorable Lahore High Court vide Writ Petition No. 51007/2023 therefore, NEPRA cannot intervene in the matter at this stage. Upon issuance of distribution license to Bahria Town Lahore, the issue of excessive billing will be resolved. BTPL is required to reflect all charges separately in the electricity bills as per the pattern of LESCO. Moreover, BTPL should not charge any other charges i.e. maintenance charges etc., in electricity bills.
- 7. Foregoing in view, BTPL is directed to issue electricity bills to its residents/consumers as per the format of LESCO by mentioning all charges. Maintenance charges be dealt separately and must be excluded from the electricity bills.

(Lashkar Khan Qambrani)

Director (CAD)

Member Consumer Complaints Tribunal

(Moqeem ul Hassan)

Islamabad

(CAO)

Assistant Legal Advisor (CAD)
Member Consumer Complaints Tribunal

(Naweed Illahi Shaikh)

Director General (CAD)

Convener Consumer Complaints Tribuffal RA

Islamabad, September γ , 2023