

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/ADG(CAD)/TCD-04/28768-12

December 27, 2019

Chief Executive Officer Faisalabad Electric Supply Company (FESCO), Abdullah Pur, Canal Bank Road, Faisalabad.

Subject:

ORDER IN THE MATTER OF COMPLAINTS FILED BY H.A. HAQ SPINNING MILLS (PVT.) LIMITED, MK SONS (PVT.) LIMITED AND NAGRA SPINNING MILLS (PVT.) LIMITED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST FESCO REGARDING NON-PROVISION OF ELECTRICITY CONNECTION AND EXTENSION OF LOAD FESCO-110/10/2019, FESCO-111/10/2019 & FESCO-117/11/2019

Please find enclosed herewith the Order (03 Pages) dated 27.12.2019 regarding the subject matter for necessary action and compliance within thirty (30) days, please.

Encl: As above

Iftikhar Ali Khan)
Director

Registrar Office

Copy to:

- i. C.E./Customer Service Director
 Faisalabad Electric Supply Company (FESCO).

 Abdullah Pur, Canal Bank Road,
 Faisalabad.
- ii. Mr. Tahir Ayoub, GM (Finance),H.A. Haq Spinning Mills (Pvt.) Limited,P-9/2, Montgomery Bazar, Faisalabad.
- iii. Mr. Javed Akhtar, CEO,MK Sons (Pvt.) Limited,2 KM, Jaranwala Road, Khurrianwala,Faisalabad.*
- iv. Mr. Ghulam Rabbani,
 Nagra Spinning Mills (Pvt.) Limited,
 Chak No. 68/RB, 34 KM, Sheikhupura Road,
 Near Addah Johal, Falsalabad.



NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

Complaints No. FESCO-110/10/2019, No. FESCO-111/10/2019 & No. FESCO-117/11/2019

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H.A. Haq Spinning Mills (Pvt.) Limited Through Mr. Tahir Ayoub, GM (Finance), P-9/2, Montgomery Bazar, <u>Faisalabad</u> .			Complainant No. 1
MK Sons (Pvt.) Limited Through Mr. Javed Akhtar, CEO, 2 KM, Jaranwala Road, Khurrianwala, Faisalabad		***************************************	Complainant No. 2
Nagra Spinning Mills (Pvt.) Limited Through Mr. Ghulam Rabbani, Chak No. 68/RB, 34 KM, Sheikhupura Road, Near Addah Johal, <u>Faisalabad</u> .			Complainant No. 3
	Vers	us	
Faisalabad Electric Supply Abdullah Pur, Canal Bank Ro	Company Limited (i pad, <u>Faisalabad</u>	FESCO)	Respondent
Date of Hearing:	28 th November 2019		
Date of Decision:	December 27, 201	9	
On behalf of			
Complainant No. 1:	Mr. Tahir Ayoub, GM	Л	
Complainant No. 2:	Mr. Asim Shah, GM	N 1, 6	
Complainant No. 3:	Nemo		
Respondent: 1) 2) 3) 4) 5) 6)	Mr. Mazhar Naveed, Mr. Sajjad Haider Av Mr. Umair Ahmed, D Mr. Muhammad Abd Mr. Zabi Ullah, SDO Mr. Mir Afzal Malik,	wan, XEN (O) DD (Tech) Jullah, DD (P&D)	
(PVT.) LIMITED, LIMITED UNDE	MK SONS (PVT.) LI R SECTION 39 C	MITED AND NAG	H.A. HAQ SPINNING MILLS RA SPINNING MILLS (PVT.) ATION OF GENERATION, OWER ACT, 1997 AGAINST

FESCO REGARDING NON-PROVISION OF ELECTRICITY CONNECTION AND

EXTENSION OF LOAD

ORDER

This Order shall dispose of the complaints filed by H.A. Haq Spinning Mills (Pvt.) Limited, Faisalabad (hereinafter referred to as the "Complainant No. 1"), MK Sons (Pvt.) Limited, Faisalabad (hereinafter referred to as the "Complainant No. 2") and Nagra Spinning Mills (Pvt.) Limited, Faisalabad (hereinafter referred to as the "Complainant No. 3") against Faisalabad Electric Supply Company Limited (hereinafter referred to as the "Respondent" or "FESCO") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act").

2. Brief facts of the case are as under:

A. H.A. Haq Spinning Mills (Pvt.) Limited:

- i. The Complainant No. 1 was a Bulk Power Consumer (hereinafter referred to as "BPC") of Sitara Energy Limited (hereinafter referred to as "SEL") as well as a consumer of FESCO under B3 category.
- ii. However, when the Complainant No. 1 approached FESCO regarding extension of load from 2000 kW to 4900 kW, FESCO instructed them to disconnect their supply from SEL and get their names removed from active BPC list of SEL and also remove 3 spans of 11 kV line.
- iii. Accordingly, the Complainant No. 1 removed 3 spans of 11 kV lines from their premises and approached SEL for removal of their names from its active BPC list. However, later on, FESCO cancelled their application for extension of load. Subsequently, the Complainant No. 1 approached NEPRA and requested for revalidation of their application process at the earliest.

B. MK Sons (Pvt.) Limited:

- i. The Complainant No. 2 was a BPC of SEL. However, when the Complainant No. 2 applied to FESCO for provision of electricity connection of 3592 kW on 8th March 2019 under B3 tariff, FESCO instructed them to disconnect their supply from SEL and get their names removed from active BPC list of SEL and also remove at least 3 span of 11 kV line from SEL.
- ii. Accordingly, the Complainant No. 2 removed 3 spans of 11 kV lines from their premises and approached SEL for removal of their names from its active BPC list. However, later on, FESCO cancelled their application. Subsequently, the Complainant No. 2 approached NEPRA and requested for revalidation of their application process at the earliest.

C. Nagra Spinning Mills (Pvt.) Limited:

i. The Complainant No. 3 was a Bulk Power Consumer (hereinafter referred to as "BPC") of Sitara Energy Limited (hereinafter referred to as "SEL") as well as a consumer of FESCO under B3 category.

- ii. However, when the Complainant No. 3 approached FESCO regarding extension of load from 3481 kW to 4700 kW, FESCO instructed them to remove their names from active BPC list of SEL. The Complainant No. 3 has approached NEPRA and requested for issuing directions to FESCO for extension of their load.
- The matter was taken-up and a hearing was held on 28th November 2019 at NEPRA Head Office, Islamabad which was attended by representatives of Complainant No. 1, Complainant No. 2 and FESCO who advanced their arguments. During the hearing, it was observed that all three (03) complaints are of similar nature. It is further clarified that SEL has filed a Licensee Proposed Modification (LPM) with NEPRA for extension of term of its generation license and it intends to delete some of its BPCs, including the Complainants. However, the Authority has directed SEL to file a separate LPM in this regard.
- 4. BPCs are considered as the back-bone of a Distribution Company. In the instant matter, 03 Nos. BPCs are being deprived from provision of power. Further, at present, there is surplus power in the country, and the Government of Pakistan is seeking avenues to sell excessive power. Further, a policy has also been announced for winter season to encourage the consumers to consume more power as compared to last year on reduced rates. As such, refusal to allow new connection/extension of load by FESCO is strange and questionable.
- 5. Foregoing in view, FESCO is directed to:
 - i. Extend the load of M/s H.A. Haq Spinning Mills (Pvt.) Limited and M/s Nagra Spinning Mills (Pvt.) Limited subject to completion of all codal formalities.
 - ii. Provide electricity connection to M/s MK Sons (Pvt.) Limited subject to completion of all codal formalities.

iii. Submit compliance report within thirty (30) days.

Member (Consumer Affairs)

Islamabad, December 27, 2019.