

# National Electric Power Regulatory Authority

NEPRA Tower Attaturk Avenue (East) Sector G-5/1, Islamabad. Ph:051-2013200, Fax: 051-2600021

Consumer Affairs Department

2640 TCD 01/ -2023 June 26, 2023

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

## Subject: DECISION IN THE MATTER OF COMPLAINT FILED MST. GULNAZ HAYAT UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST FESCO REGARDING ADDITIONAL DEMAND NOTICE.

Please find enclosed herewith the decision of NEPRA Consumer Complaints Tribunal dated June 26, 2023 (03 Pages) regarding the subject matter for necessary action and compliance within twenty (20) days.

Encl: As above

(Muhammad Bilat) Additional Director (CAD) NEPRA Islamabad (CAD)

Copy to:

- C.E/Customer Services Director Faisalabad Electric Supply Company (FESCO) Abdullah Pur, Canal Bank Road, Faisalabad.
- Mst. Gulnaz Hayat House No. 292, Street No. 21, Sector N, DHA Phase 6, Tehsil & District Lahore. 0321-3444411



## BEFORE THE

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

(NEPRA)

#### Complaint No. FESCO-FSD-16762-09-22

**Mst. Gulnaz Hayat** House No. 492, Street No. 21, Sector N, DHA Phase 6 Tehsil & District, <u>Lahore</u>. ..... Complainant

..... Respondent

### VERSUS

Faisalabad Electric Supply Company (FESCO) Abdullah Pur, Canal Bank Road, <u>Faisalabad.</u>

Date of Hearing:	May 14, 2022 July 06, 2022
Complainant:	Mst. Gulnaz Hayat

Respondent:

1) Mr. Ali Rizwan SDO (Operation), FESCO

2) Mr. Muhammad Binyamin, SDO (Operation), FESCO

3) Mr. Abaidullah Revenue Officer, FESCO

### SUBJECT: DECISION IN THE MATTER OF COMPLAINT FILED BY MST. GULNAZ HAYAT UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAIST FESCO REGARDING ISSUANCE OF ADDITIONAL DEMAND NOTICE

#### DECISION

This decision shall dispose of the complaint filed by Mst. Gulnaz Hayat (hereinafter referred to as the "Complainant") against Faisalabad Electric Supply Company (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. NEPRA received a complaint from Mst. G ilnaz Hayat wherein the issue agitated by the Complainant was that she applied to FESCO for provision of new agricultural connection whereby a demand notice amounting to Rs. 2,55,000/- was issued by FESCO which was subsequently paid by the Complainant during June, 2021. However, the connection remained pending for installation & energization. The Complainant further submitted that FESCO issued revised/second demand notice on January 21, 2022 amounting to Rs. 1,55,400/- for payment, however being aggrieved with the revised/second demand notice, she approached the Honorable Wafaqi Mohtasib, Islamabad to direct FESCO to install the connection as per the already paid demand notice. The same was disposed of with the advice to the Complainant to approach NEPRAfor resolution, hence, the instant matter.

3. The subject matter was taken up with FESCO. In response, FESCO reported that the Complainant submitted an application for a tube well/agricultural connection vide No.



69/TW dated June 10, 2021 for 14.92 kW load for which a demand notice was issued and the same was paid by the Complainant on July 27, 2021. FESCO further submitted that the connection remained pending for installation due to non-availability of 15 & 25 kVA transformer with FESCO and an additional demand notice No. 1451 dated January 21, 2022 amounting to Rs. 1,55,400/- was issued to the Complainant due to revision of material rates w.e.f. December 29, 2021.

4. The report of FESCO was forwarded to the Complainant for comments/information. Consequently, the Complainant in her rejoinder reiterated the earlier version of the complaint and requested to direct FESCO to install the connection as per the already paid demand notice.

5. The case has been examined in detail in light of the record made so available by parties, arguments advanced and applicable law. Following has been observed:

- i. The Complainant approached FESCO for a new agricultural connection at Moza Chawa, Sardar Pur Noon, Tehsil Bhalwal, District Sargodha vide application No. 69/TW dated June 10, 2021 for load of 14.92 kW. In response, FESCO approved the application and accordingly issued a demand notice amounting to Rs. 255,000/- which was paid by the Complainant on June 27, 2021 within prescribed time period. However, according to FESCO the connection remained pending for installation due to non-availability of 25 kVA distribution transformer etc. Later, another/second demand notice amounting to Rs. 155,400/- dated January 21, 2022 was issued to the Complainant for payment.
- ii. The revised/second demand notice was issued by FESCO on the pretext of revision of material rates. Perusal of the documentary evidence submitted by FESCO reveals that the Complainant was charged difference of cost of the material due to its non-availability in stores of FESCO at the time of payment of 1<sup>st</sup> demand notice i.e. June 27, 2021. According to Clause-2.7.1 of Consumer Service Manual (CSM); in the cases where there is shortage/non-availability of material DISCOs can ask the applicant to procure required material as per the specifications of DISCOs. In the instant case if there was any shortage/non-availability of transformer; FESCO should have informed the Complainant for procurement of the same at its own, however, FESCO neither installed the connection after payment of full demand notice nor informed the Complainant for procurement of material. In another case FESCO-FSD-11085-03-22 (Syed Inayat Ali Shah vs FESCO) FESCO submitted a report vide letter No. 357-60/DMM/FESCO dated July 15, 2022 regarding availability of transformers which revealed that sufficient number of 25 kVA transformers was available at the time of payment of demand notice i.e. June 27, 2021.
- iii. According to the Clause 2.4.6 of the CSM, once demand notice is issued by DISCO and is paid by the applicant in full, no further charges/demand notice can be raised against the applicant on account of escalation of rates of material. The same is reflected in the instant matter through documentary evidence on record wherein the first demand notice issued to the Complainant was paid in full amounting to Rs. 2,55,000/- within prescribed time period of 30 days as per SOPs. In view of the said, penalizing the Complainant through additional/revised demand notice on account of negligence etc. of the concerned FESCO officials is unwarranted.
- iv. According to time frame for new connections given in NEPRA Performance Standards (Distribution) Rules-2005 read with Annexure-III of Consumer Service Manual (CSM) DISCOs are required to provide electricity connection within time period of twenty (20) days from the date of payment of demand notice in case of load up to 15 kW. However, in the instant case about two years have lapsed but FESCO has not yet provided connection to the Complainant for 14.92 kW load.



- Moreover, provision of electricity is a Fundamental Right for all citizens under Article 9 and 14 of Constitution of Islamic Republic of Pakistan. Non supply of electricity to a citizen, tantamount to deprivation of this Fundamental Right as well as violation of Article 8 of the Constitution which says that any law, custom or usage having the force of law that is inconsistent or abridges a Fundamental Right is void and inoperable. The provision of electricity has been interpreted as Fundamental Right by the Supreme Court of Pakistan.
- FESCO filed appeals before Appellate Tribunal NEPRA against decision of vi. NEPRA in similar nature of cases (FESCO-FSD-11085-03-22; Syed Inavat Ali Shah vs FESCO and FESCO-FSD-11086-03-22; Muhammad Tahir vs FESCO), however, the tribunal dismissed the appeals filed by FESCO and directed FESCO to implement the decision of NEPRA in letter and spirit within two weeks.

Foregoing in view, FESCO is directed to withdraw the revised/second demand 6. notice No. 1451 dated January 21, 2022 amounting to Rs. 155,400/- standing in violation of the relevant provision of Consumer Service Manual (CSM) & NEPRA Performance Standards (Distribution) Rules, 2005 and install the connection at the premises of the Complainant after completion of all the codal formalities. Compliance report be submitted within twenty (20) days.

(Lashkar Khan Qambrani) Member (Consumer Complaints Tribunal)/ Director (CAD)

(Mogeem ul Hassan)

Member Consumer Complaints Tribunal Assistant Legal Advisor (CAD)

Islamabad

(CAD)

AFFAIRS (Naweed Mahi Shaikh) Convener Consumer Complaints Tribunal/ CONS Director General (CAD) NEPRA

Islamabad, June 36, 2023

v.