



National Electric Power Regulatory Authority

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

**Consumer Affairs
Department**

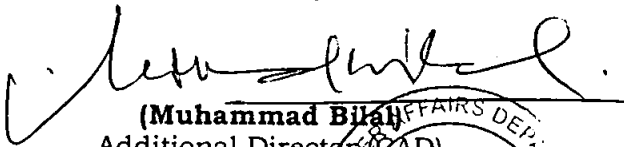
TCD.04/ ²⁰²³
-2023
May 19, 2023

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

**SUBJECT: DECISION IN THE MATTER OF COMPLAINT FILED BY M/S ISHAQ
TEXTILE MILLS LIMITED UNDER SECTION 39 OF THE REGULATION OF
GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC
POWER ACT, 1997 AGAINST FESCO REGARDING ISSUANCE OF
ADDITIONAL DEMAND NOTICE FOR REPLACEMENT OF 11 KV
CONDUCTOR**
Complaint No. FESCO-NHQ-13588-06-22

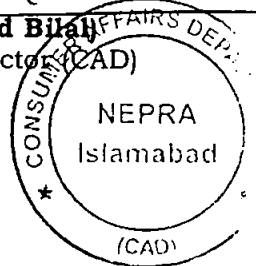
Please find enclosed herewith the decision of the NEPRA Consumer Complaints Tribunal dated May 19, 2023 regarding the subject matter for necessary action and compliance within thirty (30) days, positively.

Encl: As above


(Muhammad Bilal)
Additional Director (CAD)

Copy to:

1. GM (Commercial & Customer Services),
FESCO, Abdullah Pur, Canal Bank Road Faisalabad
2. Mr. Ubaid Khan Rana, (Assistant Director),
NEPRA Regional Office, Plaza C-6B, College Road
Faisalabad. Phone: (041) 8727800
3. Mr. Khalil Ur Rehman, Advocate, SKB Law Associates,
3rd Floor, Hameed Law Chambers,
Near Al-Taj Hotel, 1-Turner Road, Lahore. Cell: 0321-447240





**BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)**

Complaint No. FESCO-NHQ-13588-06-22

M/s Ishaq Textile Mills Limited
32-kM, Shiekupura Road, Faisalabad.

..... **Complainant**

VERSUS

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

..... **Respondent**

Date of Hearing: September 17, 2022
January 18, 2023
February 09, 2023
March 16, 2023

**On behalf of
Complainant:**

- 1) Mr. Khalil-ur-Rehman Advocate
- 2) Mr. Zain-ul-Abidin Advocate

Respondent:

- 1) Rana Ayub Chief Engineer (P&D), FESCO
- 2) Mr. Faisal Shafi Rana, XEN (Operation), FESCO
- 3) Mr. Muhammad Ramzan Deputy Director, FESCO
- 4) Mr. Rao Muhammad Arslan SDO, FESCO

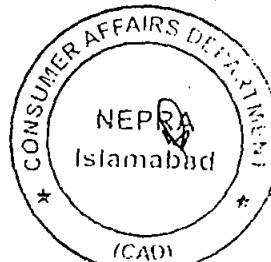
SUBJECT: DECISION IN THE MATTER OF COMPLAINT FILED BY M/S ISHAQ TEXTILE MILLS LIMITED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST FESCO REGARDING ISSUANCE OF ADDITIONAL DEMAND NOTICE FOR REPLACEMENT OF 11 KV CONDUCTOR

DECISION

This decision shall dispose of the complaint filed by M/s Ishaq Textile Mills Limited (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 M/s Ishaq Textile Mills Limited through Mr. Khalil-ur-Rehman Advocate dated June 15, 2022 wherein the issue agitated by the Complainant was that an application was submitted to FESCO on January 25, 2021 for replacement of 11 kV conductor feeding M/s Ishaq Textile Mills Limited due to repeated breakdowns and a demand notice dated August 11, 2021 amounting to Rs. 2,311,599/- as capital cost was issued by FESCO which was subsequently paid by the Complainant on August 16, 2021. The Complainant further submitted that the replacement of conductors remained pending for considerable time period and subsequently FESCO issued revised / second demand notice for payment dated April 25, 2022 amounting to Rs. 1,342,973/-, however, being

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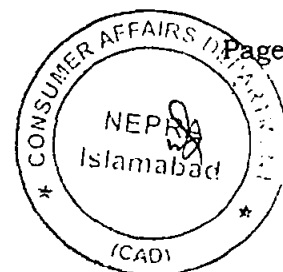


aggrieved with revised/second demand notice, the Complainant requested to direct FESCO to replace the 11 kV line conductors as per the already paid demand notice.


3. The subject matter was taken up with FESCO. In response, FESCO vide a report dated August 12, 2022 stated that the revised demand notice amounting to Rs. 1,342,973/- was issued to the Complainant due to revision of material rates. In order to probe into the matter, hearings were held at NEPRA Regional Office, Faisalabad and NEPRA Head Office, Islamabad wherein both the parties participated and advanced their respective arguments. During the hearings, parties reiterated their earlier versions.


4. 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:


- (i) The Complainant approached FESCO vide application dated January 25, 2021 for replacement of deteriorated conductor of 11 kV feeder emanating from 132 kV Bandala grid station and feeding M/s Ishaq Textile Mills Limited. In response, FESCO approved the application and accordingly issued a demand notice amounting to Rs. 2,311,599/- dated August 11, 2021 which was paid by the Complainant on August 16, 2021 within prescribed time period. Later, another/second demand notice amounting to Rs. 1,342,973/- dated April 25, 2022 was issued to the Complainant for payment while the replacement remained pending despite the lapse of considerable time period.
- (ii) According to clause 2.7.1 of the Consumer Service Manual (CSM), in the cases where there is shortage/non availability of material, DISCOs may ask the applicant to procure required material as per the specifications of the DISCOs. In the instant case, if there was any shortage/non availability of material, FESCO should have informed the Complainant for procurement of the same on its own, however, FESCO neither replaced the 11 kV ACRS Osprey conductor nor informed the Complainant for procurement of the required material. Scrutiny of record reveals that conductors were available in FESCO's stores.
- (iii) According to time frame for new connection given in NEPRA Performance Standards (Distribution) Rules, 2005 read with Annexure-III of the CSM, DISCOs are required to provide electricity connection within time period of (55) days from the date of payment of demand notice in case of applied load between 500-5000 kW. In the instant matter, load of the Complainant is 4867 kW and only replacement of conductors is required. The demand notice was paid on August 16, 2021, therefore, even if time frame for new connection is considered; the said work should have been completed within (55) days of payment of demand notice i.e. October 10, 2021, however, a revised demand notice was issued after lapse of eight (8) months.
- (iv) According to the clause 2.4.6 of the CSM, once demand notice issued by DISCO i.e. FESCO and 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 1st demand notice issued to the Complainant was paid in full amounting to Rs. 2,311,599/- within prescribed time period as per SOPs. Moreover, Consumer Service Manual (CSM) provides time limit for energization of new electricity connections. In the instant case; the maximum time of 55 days was exhausted but FESCO failed to replace the conductors which should have been replaced in less than 55 days as only replacement of conductors was required. 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 and the same is not liable to be paid by the Complainant.

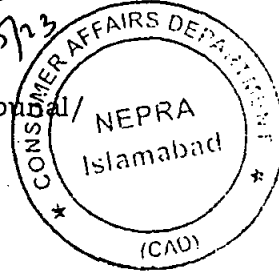


5. Foregoing in view, FESCO is directed to withdraw the revised/second demand notice No. 9729-34 dated April 25, 2022 standing in violation of the relevant provision of CSM & Performance Standards (Distribution) Rules, 2005 and replace the conductors of the Complainant after completion of other codal formalities (if any). The Complainant is liable to pay any cost escalation if occurred within (55) days of payment of the first demand notice i.e. by October 10, 2021. Compliance report be submitted within thirty (30) days.


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


(Moqem ul Hassan)
Member Consumer Complaints Tribunal
Assistant Legal Advisor (CAD)


(Naweed Illahi Shraikh)
Convener Consumer Complaints Tribunal/
Director General (CAD)



Islamabad, May 19, 2023