



Registrar

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
Ph: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepa.org.pk, E-mail: registrar@nepa.org.pk

No. NEPRA/DG(CAD)/TCD-07/42785-88

December 14, 2021

Chief Executive Officer,
Hyderabad Electric Supply Company (HESCO),
WAPDA Water Wing Complex, Hussainabad,
Hyderabad.

Subject: DECISION IN THE MATTER OF REQUEST OF CONTINENTAL ENTERPRISES, BUILDERS & DEVELOPERS REGARDING PROCESSING OF ELECTRIFICATION CASE OF ABDULLAH SPORT TOWER DEH. JAMSHORO, TALUKA QASIMABAD ON SHARING BASIS OF POWER TRANSFORMERS
HESCO-178/03/2021

Enclosed find herewith the Decision of Member (Consumer Affairs) dated December 14, 2012 (05 Pages) regarding the subject matter for further necessary action please.

Encl: As above

14/12/21
(Iftikhar Ali Khan)
Director

Copy to:

- 1) C.E/Customer Services Director,
Hyderabad Electric Supply Company (HESCO),
WAPDA Water Wing Complex, Hussainabad,
Hyderabad.
- 2) Chief Engineer (Planning & Engineering),
Hyderabad Electric Supply Company (HESCO),
WAPDA Water Wing Complex, Hussainabad,
Hyderabad.
- 3) M/s Continental Enterprises Builders & Developers,
Abdullah Chambers, Opposite Hotel Faran,
Saddar, Hyderabad.



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

HESCO-178/03/2021

M/s Continental Enterprises Builders & Developers,
Abdullah Chambers, Opposite Hotel Faran,
Saddar, Hyderabad.

Complainant/Sponsor

Versus

Hyderabad Electric Supply Company (HESCO)
WAPDA Water wing Complex, Hussainabad, Hyderabad

Respondent

Date of Hearing: June 08, 2021
July 15, 2021
October 24, 2021

On behalf of:

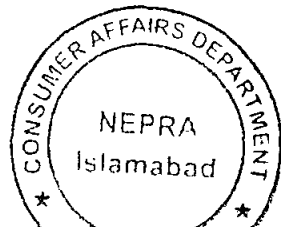
Complainant: Mr. Imran Khan, General Manager,
M/s Continental Enterprises Builders & Developers
Respondent: Chief Engineer (Planning)

Subject: DECISION IN THE MATTER OF REQUEST OF CONTINENTAL ENTERPRISES, BUILDERS & DEVELOPERS REGARDING PROCESSING OF ELECTRIFICATION CASE OF ABDULLAH SPORT TOWER DEH. JAMSHORO, TALUKA QASIMABAD ON SHARING BASIS OF POWER TRANSFORMERS

DECISION

This decision shall dispose of the request of Continental Enterprises, Builders & Developers dated September 01, 2021 (hereinafter referred to as the "Complainant" or "The Sponsor"), regarding processing of electrification case of Abdullah Sport Tower, Jamshoro (hereinafter referred to as the "Project") on sharing basis of power transformer.

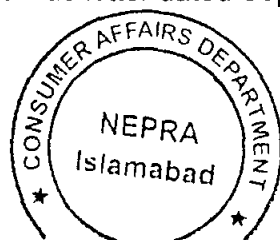
2. Brief facts of the case are that Hyderabad Electric Supply Company (hereinafter referred to as the "Respondent" or "HESCO") vide letter No.CEO/HESCO/CE(P&E)/DM(MID)/ DB/2137-38, dated March 8, 2021 sought clarification wherein it was submitted that a connection of 2115 kW load was approved for Abdullah Sport Tower in 2018 and energized through an 11 kV independent feeder. The Sponsor of Abdullah Sports Tower applied for additional load of 4321 kW



on November 22, 2019. Since the accumulated load of the project was more than 5MW and prevailing policies were silent for high rise buildings having load above 5 MW therefore, the Sponsor was advised for payment of proportionate cost of land, control room, 132 kV transmission line, cost of 10/13 MVA Power Transformer, Transformer bay along with panel set, etc. for electrification of the said project. The estimated cost of 10/13 MVA Power Transformer/bay and other allied equipment was worked out as Rs.76,451,713/- and 11 kV feeder as Rs.6,025,123. The Sponsor paid the cost of 11 kV feeder and opted for purchase of power transformer at its own. The HESCO Board of Directors approved the case of electrification. The Sponsor also submitted an affidavit to HESCO to the effect that they will pay proportionate cost of land, control room, 132 kV transmission line, cost of 10/13 MVA Power Transformer, Transformer bay along with panel set, etc. However, the Sponsor did not pay the remaining amount of Rs. 46,451,713/- out of total of Rs. 76,451,713/-. HESCO further apprised that in the meantime; the Consumer Service Manual (CSM) was revised and the Sponsor requested for approval of the case in accordance with provisions of revised Consumer Service Manual (CSM). HESCO sought guidance that whether the revised CSM is applicable in the instant matter or not.

3. In order to proceed further; an online hearing was held on June 7, 2021 which was attended by both the parties. The parties were advised to submit relevant document for further processing of the case. In response HESCO vide letter dated June 17, 2021 submitted relevant documents and another hearing was held on July 15, 2021 at NEPRA Head Office Islamabad which was attended by the representative of the Complainant in person whereas HESCO representatives attended the hearing through video link. Subsequently HESCO was informed vide letter dated August 5, 2021 that the CSM was revised and circulated to all DISCOs on July 08, 2020 and January 13, 2021 and a clarification thereto was also issued on March 26, 2021, whereby it was clarified that in cases where applicants paid estimates in full or partial and work has not yet been started, the estimates may be revised according to revised CSM on request basis. In the instant case, partial load of 2115 kW out of 6437 kW has already been electrified/energized and for the remaining load, the Sponsor has given undertaking that they will pay proportionate cost of land, control room, 132 kV transmission line, cost of 10/13 MVA Power Transformer, Transformer bay along with panel set, etc. therefore, revised CSM is not applicable and HESCO to proceed as per its earlier approvals.

4. In the meanwhile; the Sponsor vide letter dated September 01, 2021 approached this office and requested that their case for electrification be processed on payment of sharing cost of power transformer. The request of the Sponsor revealed that the Sponsor wants HESCO to install a higher capacity power transformer and the project to be provided with electricity supply from that power transformer on sharing basis which may also be utilized by HESCO as common distribution system. In view of the said, HESCO was directed vide letter dated September 23, 2021 to submit

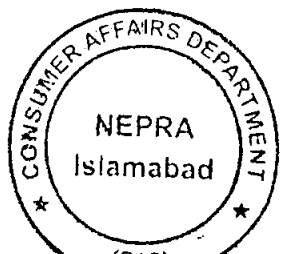


its comments on the request of the Complainant along with cost benefit analysis for installation of higher capacity power transformer at the grid station of HESCO. HESCO was also directed that the case of Abdullah Sports Tower be processed for electrification and a bank guarantee thereof equal to the amount of cost of 10/13 MVA power transformer be obtained from the Sponsor along with an undertaking to the effect that Abdullah Sports Tower will abide by the decision of NEPRA in this regard.

5. In response HESCO vide letter dated October 10, 2021 intimated that 02 number. 31.5/40 MVA Power transformers are already installed at 132 kV Bypass Hyderabad Grid Station and the connection of Abdullah Mall (2115kW) is being fed from T-2 power transformer of the said grid having independent 11kV feeder. Both transformers are running smoothly and have successfully sustained the loading position upto 60% of their maximum rated capacity and therefore any one of them can be utilized to accommodate the remaining assessed load of project i.e.4322-kW. HESCO further informed that it does not need to install any low-capacity power transformer as both the power transformers are underload even after adding the remaining load of project, however, to provide relief to 132kV grid station Qasimabad Hyderabad by shifting of load from 132 kV grid station Qasimabad Hyderabad to 132 kV Bypass Hyderabad Grid Station, HESCO may need to install another additional higher capacity power transformer and also in view of long-term planning, it is viable to install a higher capacity power transformer than a lower capacity power transformer.

6. The case has been analyzed in detail in light of written/verbal arguments of the parties. The following has been concluded;

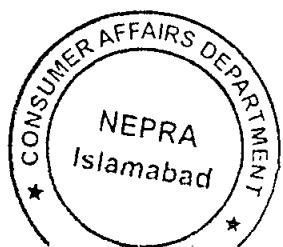
- i. The Abdullah Sports Towers consist of different towers and the ultimate load of the project is 6437 kW.
- ii. The scheme was electrified partially for the Mall through an 11 kV independent feeder for 2115 kW load and the Sponsor paid demand notice for capital cost and security deposit. The mall was energized on July 03, 2020.
- iii. The Sponsor approached HESCO for electrification of the remaining parts of the project for estimated load of 4322kW for the residential flats having consolidated load of 6437kW. According to HESCO, the Sponsor was liable for payment of proportionate cost of land, control room, 132kV transmission line, cost of 10/13 MVA power transformer, transformer bay along with panel set, etc. The estimated cost of 10/13 MVA power transformer/bay and other allied equipment was worked out as Rs.76,451,713 (including 30 million as cost of serviceable 10/13MVA power transformer) and 11kV feeder as Rs.6,025,123. HESCO approached NEPRA and sought guidance that whether the revised CSM is applicable in



the instant matter or otherwise. HESCO was informed that the revised CSM is not applicable in the instant case and was directed to proceed as per its earlier approvals.

- iv. The Sponsor has approached NEPRA and has requested for provision of supply from HESCO's grid station with higher capacity power transformer on sharing cost basis. Upon enquiry by NEPRA, HESCO has reported that 2 number 31.5/40 MVA power transformer are installed at 132kV Bypass Hyderabad Grid Station and both power transformer have sufficient capacity (60% loaded) to accommodate the entire load of Abdullah Sport Tower. HESCO further submitted that it does not need to install any low-capacity power transformer as both the power transformers are under load even after adding the remaining load of subject project. However, to provide relief to 132kV grid station Qasimabad Hyderabad by shifting of load from 132 kV grid station Qasimabad Hyderabad to 132 kV Bypass Hyderabad Grid Station, HESCO may need to install another additional higher capacity power transformer. Also in view of long-term planning, it is viable to install a higher capacity power transformer than a lower capacity power transformer. From this it has been construed that HESCO prefers to provide ultimate load of 6437 kW to Abdullah Sports Tower from its already installed 31.5/40 MVA power transformer instead of installing another 10 / 13 MVA power transformer and wants sharing on higher capacity transformer.
- v. HESCO vide letter dated October 27, 2021 has provided estimated cost of power transformers 10/13 MVA, 20/26 MVA and 31.5/40 MVA as per which the price is Rs. 78 million for 10/13 MVA power transformer, Rs. 95 million for 20/26 MVA power transformer and Rs.115 million for 31.5/40 MVA power transformer excluding GST.


7. Since Abdullah Sports Tower has already been electrified partially, therefore, the provisions of revised CSM are not applicable in this case. HESCO is ready to provide electricity supply from its own grid station / power transformers instead of installing another 10 / 13 MVA power transformer at 132 kV Bypass Hyderabad Grid Station. The cost of 31.5 / 40 MVA power transformer has been intimated by HESCO as 115 million. HESCO had already worked out estimated cost of Rs. 76,451,713/- (including 30 million as cost of serviceable 10 / 13 MVA power transformer) and Rs. 46,451,713/- for other allied equipment / transformer bay for provision of supply from its own grid station to Abdullah Sports Tower. In the given circumstances installation of another 10 / 13 MVA transformer for the said scheme will be an exercise in futile and wastage of resources in future. HESCO has also informed that the 10 / 13 MVA transformer is not required to them and it is preferred to install a higher capacity power transformer at 132 kV Bypass Hyderabad Grid Station to meet the demand in future and provide relief to other overloaded grid station(s). The ratio of 10 / 13 MVA v/s 31.5 / 40 MVA power transformer is about 32%. In view thereof, the Abdullah Sports Tower may share 32% cost of 31.5 / 40 MVA power transformer instead of providing 10 / 13 MVA power transformer for obtaining supply from HESCO for the



project in addition to payment for other allied equipment as already worked out by HESCO i.e. transformer bay, panel set etc.

8. Foregoing in view, HESCO is directed to recover 32% cost of the 31.5 / 40 MVA power transformer as a sharing cost against 10MVA load in addition to charges already worked out by HESCO for other allied equipment, transformer bay, panel set etc. i.e. Rs. 46,451,713/-

Islamabad, December 14 , 2021


(Rehmatullah Baloch)
Member (Consumer Affairs)

