



National Electric Power Regulatory Authority

NEPRA Tower
Attaturk Avenue (East) Sector G-5/1, Islamabad.
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Consumer Affairs Department

TCD.07/ 10567 -2025
March 13, 2025

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

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY M/S. UNIQUE SPINNING MILLS (PVT.) LIMITED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT 1997 AGAINST HESCO REGARDING UNJUSTIFIED BILLING & CONSTRUCTION OF VCB ROOM (REFERENCE NO. 24 37221 0000051)**
Complaint # HESCO-NHQ-38128-05-24

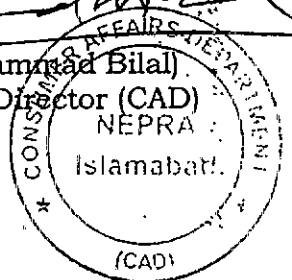
Please find enclosed herewith the decision of NEPRA Complaints Resolution Committee, dated March 13, 2025 and submit compliance report within twenty (20) days.

Encl: As above

Copy to:

1. C.E./Customer Services Director,
Hyderabad Electric Supply Company (HESCO),
WAPDA Water Wing Complex, Hussainabad, Hyderabad.
2. M/s Unique Spinning Mills Private Limited,
Plot No. A/6, S.I.T.E. Area, Kotri (Sindh).
022-3870396

(Muhammad Bilal)
Addl. Director (CAD)
NEPRA
Islamabad.





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

Complaint No.HESCO-NHQ-38128-05-24

M/s. Unique Spinning Mills (Pvt.) Ltd,
Plot No. A/6, S.I.T.E. Area, Kotri Sindh.

..... **Complainant**

VERSUS

Hyderabad Electric Supply Company Limited
WAPDA Water Wing Complex, Hussainabad,
Hyderabad.

..... **Respondent**

Date(s) of Hearing: August 21, 2024
November 05, 2024

Complainant: M/s Unique Spinning Mills Pvt. Ltd.

Respondent: i) Mr. Muneer Ahmed, XEN (Operation), HESCO
ii) Mr. Nadeem Ahmed, Add. Asst. Manager, HESCO

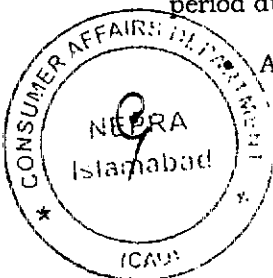
Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY M/S. UNIQUE SPINNING MILLS (PVT.) LIMITED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT 1997 AGAINST HESCO REGARDING UNJUSTIFIED BILLING & CONSTRUCTION OF VCB ROOM (REFERENCE NO. 24-37221-0000051).

Through this decision, the complaint filed by M/s. Unique Spinning Mills Pvt. Ltd. (hereinafter referred to as the "Complainant") against Hyderabad Electric Supply Company Limited (hereinafter referred to as the "Respondent" or "HESCO") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act") is being disposed of.

2. Brief facts of the case are that the Complainant is an industrial consumer of HESCO bearing Ref No. 24-37221-0000051 having a sanctioned load of 2,400 kW and the applicable tariff category is B-3. The said connection was sanctioned by HESCO on 11.12.1999 in the name of "Karim Cotton Mills" on cost deposit basis. Since then, the Complainant paid monthly bills regularly. Later on, the Complainant approached HESCO on 12.06.2022 for the construction of a new VCB room as the old room was flooded due to heavy rain in Hyderabad, however, no action was taken by the officials of HESCO. The Complainant again approached HESCO for the construction of VCB room at his expense and the temporary disconnection of his connection on 30.12.2022 after payment of the bill of Rs.679,082/- for December 2022 on 26.12.2022. Accordingly, HESCO fed the disconnection order (DCO) against the billing account of the Complainant in February 2023. Despite DCO, the bills were being charged by HESCO to the Complainant, and the arrears of Rs.1,468,564/- accumulated till September 2023, which were paid by the Complainant under protest on 15.09.2023. Subsequently, reconnection order (RCO) was fed by HESCO in April 2024 and the bill of Rs.1,061,988/- was debited to the Complainant in April 2024 on account of fixed charges.

3. Being aggrieved with the above actions of HESCO, the Complainant filed a complaint dated 16.05.2024 before NEPRA and challenged the following bills charged by HESCO with the plea that the connection under dispute is not operational for a long period due to the non-construction of VCB room:

Arrears of Rs.1,468,564/- accumulated till September 2023.



- Bill of Rs.1,061,988/- charged in April 2024.

4. The matter was taken up with HESCO for submission of para-wise comments/ report against the Complainant's grievances. In response, HESCO vide letter dated 13.06.2024 submitted that the Complainant was accorded approval for the temporary disconnection of his electricity connection in February 2023 for eleven (11) months on his request and RCO was made in April 2024 for the billing as per rule thereafter, a bill of Rs.1,061,988/- was debited to the Complainant on the pretext of fixed monthly charges. The said bill for April 2024 is justified and payable by the Complainant.

5. In this regard, hearings were conducted on 21.08.2024 and 05.11.2024, wherein both parties were in attendance. During hearings, the Complainant reiterated the arguments same as given in his complaint and submitted that disconnection against his connection was accorded by HESCO till 31.03.2024, and then RCO was fed in April 2024 without his concurrence and construction of a new VCB room. He prayed for the withdrawal of arrears of Rs.1,468,564/- accumulated till September 2023 and the bill of Rs.1,061,988 charged in April 2024 on account of fixed charges.

6. Arguments were heard and the record was perused. Following has been observed:

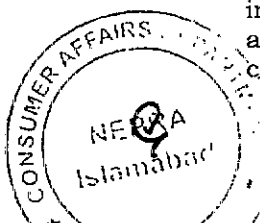
6.1 The industrial connection having a load of 2,400 kW under tariff category B-3 was sanctioned by HESCO on 11.12.1999. Subsequently, the Complainant approached HESCO on 12.06.2022 for the construction of a new VCB room as the old room was flooded due to heavy rain in Hyderabad, however, no action was taken by the officials of HESCO. Thereafter, the Complainant requested HESCO on 30.12.2022 for temporary disconnection of his connection to avoid inordinate loss on the pretext of fixed monthly charges as his industry was not operational for a long period due to non-construction of a new VCB room. HESCO fed the DCO in February 2023, however, the Complainant was being charged monthly bills by HESCO on account of fixed charges, which resulted in the accumulation of arrears of Rs.1,468,564/- till September 2023, which were paid by him on 15.09.2023.

6.2 The connection of the Complainant was temporarily disconnected by HESCO for eleven (11) months in February 2023. Later on, RCO was fed into the system in April 2024 without concurrence with the Complainant, and a bill of Rs.1,061,988/- was charged in April 2024 on account of fixed charges without redressal of his previous request dated 12.06.2022 regarding the construction of new VCB room and the bills were being charged on account of fixed charges and the arrears accumulated to the tune of Rs.4,378,432/- to date. This whole scenario shows that the HESCO violated the provisions of the Consumer Service Manual 2021 (the "CSM-2021") and recovered unjustified arrears of Rs.1,468,564/- till September 2023 from the Complainant whereas his VCB issue was not resolved despite repeated requests vide letters dated 12.06.2022 and 30.12.2022.

6.3 It is the prime responsibility of HESCO to redress the genuine grievances of its consumers as a licensee and resolve the disputes timely. In addition to the provisions of CSM-2021, NEPRA has already issued clarification vide letter dated 23.06.2023 regarding the delay in disconnection/restoration of electricity in case of temporary disconnection, the operative portion of which is reproduced below:

"3. In order to facilitate the consumers, Distribution Companies are directed to ensure disconnection/reconnection of the electricity supply on priority basis as per Clause 8.3 of the Consumer Service Manual. DISCO shall reconnect/restore the supply within four (4) working days after completion of codal formalities."

6.4 NEPRA vide letter dated 28.02.2024 has also clarified that if the consumer intends to avail the temporary disconnection beyond eleven months, he has to apply for reconnection and shall pay all charges i.e. reconnection fee, fixed charges, etc. at least for one month.



6.5 As per the provisions of CSM-2021 read with the abovementioned clarifications of NEPRA regarding temporary disconnection/reconnection policy, HESCO was required to feed the temporary disconnection within four (04) days on or before 03.01.2023 from the date of application dated 30.12.2022 of the Complainant. However, HESCO fed DCO in February 2023 after a lapse of considerable time from the date of application temporary disconnection and debited a bill of Rs.1,413,364/- to the Complainant in February 2023 on account of fixed charges, which is utter violation of the provisions of the CSM-2021 as well as the clarifications communicated vide NEPRA letters dated 23.06.2023 and 28.02.2024.

6.6 HESCO fed RCO to the connection of Complainant in April 2024 without redressal of his initial complaint dated 12.06.2022 for the construction of the VCB room issue. Meanwhile, the complainant was being charged fixed charges in monthly bills during the disputed period. However, the complainant paid all the electricity dues till December 2022, and the arrears of Rs.1,468,564/- till September 2023 under protest.

6.7 In April 2024, HESCO charged another bill of Rs.1,061,988/- after processing of RCO, and the arrears of Rs.4,378,432/- are outstanding against the connection of the Complainant. According to Clause 11.3.3 of CSM-2021, if any consumer having their substation requests DISCO for shutdown; due to reasons including maintenance of machinery, etc, the DISCO shall shut down the transformer/ sub-station without any charges. However, the consumer is required to submit a written request three days before the scheduled shutdown. Provided that the Complainant earlier approached HESCO for redressal of his grievance for construction of a new VCB room on 12.06.2022 however, HESCO failed to take action timely, which is violation of NEPRA Act, rules, regulations, standards, SOPs, tariff & license terms and conditions, grid code, and other applicable documents, etc.

7. In view of what has been stated above, it is concluded as under:

7.1 The Complainant initially applied for temporary disconnection on 30.12.2022, his temporary disconnection is to be effective w.e.f 03.01.2023 and onwards. However, the bills including the fixed charges before 03.01.2023 are payable by the Complainant.

7.2 Bills in terms of fixed charges are not applicable during the disconnection period of eleven months i.e. 03.01.2023 to 02.12.2023 and the same are required to be withdrawn by HESCO.

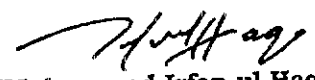
7.3 If the Complainant has applied for extension of temporary disconnection for another eleven months, the Complainant is obligated to pay all charges i.e. reconnection fee, fixed charges, etc. at least for one month as per NEPRA clarification dated 28.02.2024. Thereafter, the next disconnection would be applicable from the date of application of the Complainant by giving four days margin.

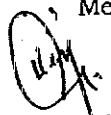
7.4 The Complainant's issue for the construction of the VCB room immediately be rectified as per the applicable SOP and the relevant provisions of CSM-2021.

7.5 The Complainant's bills be revised in the light of above discussion.

8. Compliance report be submitted within twenty (20) days.


(Ubaidullah Memon)
Member, Complaints Resolution Committee/
Director (CAD)


(Muhammad Irfan ul Haq)
Member, Complaints Resolution Committee/
Assistant Legal Advisor


(Naweed Illahi Shaikh)
Convener, Complaints Resolution Committee/
Director General (CAD)
Islamabad

Islamabad March/3, 2025

