



National Electric Power Regulatory Authority

NEPRA Tower

Attaturk Avenue (East) Sector G-5/1, Islamabad.

Ph:051-2013200, Fax: 051-2600021

Consumer Affairs Department

TCD.01/ ⁴⁵⁶⁷ -2023
October 5, 2023

Chief Executive Officer,
Islamabad Electric Supply Company (IESCO),
Street No 40, G-7/4, Islamabad.

Subject: **COMPLAINT FILED BY MR. AMAL BAZ KHAN, DIRECTOR ZARKOON INTERNATIONAL, SINGAPORE PLAZA UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST IESCO REGARDING GRID SHARING CHARGES UPON EXTENSION OF LOAD**

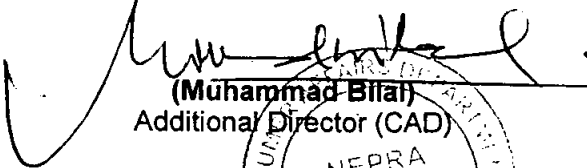
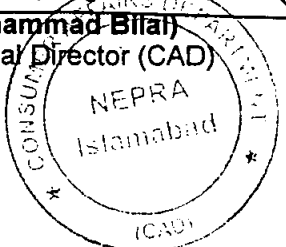
Complaint # IESCO-NHQ-26919-07-23

Please find enclosed herewith the decision of the NEPRA Consumer Complaints Tribunal dated October 03, 2023 regarding the subject matter for necessary action and compliance within fifteen (15) days, positively.

Encl: As above

Copy to:

1. C.E/Customer Services Director,
Islamabad Electric Supply Company (IESCO),
Street No 40, G-7/4,
Islamabad.
2. Mr. Amal Baz Khan,
Director Zarkoon International,
Singapore Plaza, Bank Road,
Saddar, Rawalpindi,
0333-5187518


(Muhammad Bilal)
Additional Director (CAD)




BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No. IESCO-NHQ-26919-07-23

Mr. Amal Baz Khan

Singapore Plaza, Bank Road Saddar, Rawalpindi.

..... Complainant

VERSUS

Islamabad Electric Supply Company (IESCO)

Street No 40, G-7/4, Islamabad.

..... Respondent

Date(s) of Hearing: August 1st, 2023

On behalf of

Complainant:

Amal Baz Khan

Respondent:

Chief Engineer (Planning), IESCO

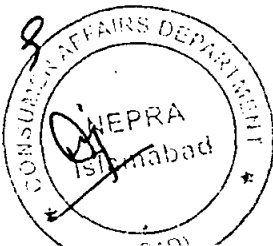
Subject: COMPLAINT FILED BY MR. AMAL BAZ KHAN, DIRECTOR ZARKOON INTERNATIONAL, SINGAPORE PLAZA UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST IESCO REGARDING GRID SHARING CHARGES UPON EXTENSION OF LOAD

This decision shall dispose of the complaint filed by Mr. Amal Baz Khan, Director Zarkoon Plaza, Bank Road Saddar Rawalpindi (hereinafter referred to as the "Complainant" or "Consumer") against Islamabad Electric Supply Company (hereinafter referred to as "Respondent" or "IESCO"), 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 that NEPRA received the above referred Complaint wherein it was informed that the Complainant submitted an application to the IESCO for extension of load from 408kW to 627kW i.e. (219 kW extension). The extension of load was submitted for the old commercial multistory building situated at Plot No.1 (Bungalow No.59 &59A) Singapore Plaza, Bank Road, Saddar, Rawalpindi, where the individual owners of different shops are already running their businesses with separate electricity meters since long.

3. The Complainant further informed that after submission of the request for extension of load, IESCO issued Demand Notice, dated 17-07-2023 which included Rs.28,051,98/-, as Grid Sharing Charges calculated on the basis of total load of the Plaza rather than the extended load only. The Complainant refused to make payment and approached this office for correction of Grid Sharing Charges (GSC).

4. After receipt of the above Complaint, the matter was taken up with IESCO vide this office's letter dated July 25, 2023. In response, IESCO vide letter dated July 26, 2023 submitted that the Complainant's premises consists of basement, ground upto 5th floor and the extended load as requested by the Complainant was sanctioned and Demand Notice was issued to the Complainant. IESCO further informed that the Demand Notice issued to the Complainant includes the Capital Cost, Vetting Fee and Grid Sharing cost of Rs.2805198/-

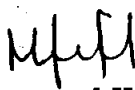


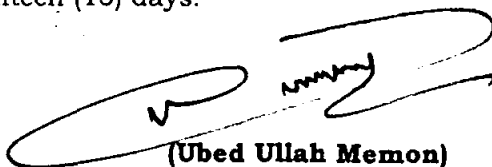
which has been objected by the Complainant for payment. IESCO admitted in its response that the Grid Sharing Cost has been charged to the Complainant @ 4474/kW on total load as previously no Grid Sharing Charges were recovered from the Complainant because there was no policy for the same at that time of sanctioning this connection. In this regard, IESCO also requested for an advice from NEPRA in the matter that either the Grid Sharing Charges are to be recovered from its consumer on total load or extended load only.


5. In order to further probe into the matter, a hearing was held on 1st August, 2023 which was attended by both the parties. During the hearing, the representative of IESCO i.e. Chief Engineer (Planning) apprised that the Complainant approached IESCO for extension of load i.e. (219 kW) and in order to process the request of the Complainant, IESCO issued Demand Notice as per the relevant prevailing procedure(s) of the NEPRA. It was also informed that the Complainant has only objected Grid Sharing Charges for which neither any policy exists nor Consumer Service Manual (CSM) contains any clause/mechanism, therefore, it cannot be ascertained that either to recover Grid Sharing Charges on total load or for extended load only. On the other hand, the Complainant has requested for the revision of Grid Sharing Charges on the incremental load (i.e. 219 kW) instead of full load 627 kW.

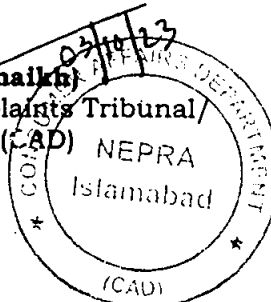
6. All relevant charges against the (old) sanctioned load of 408 kW were already paid by the Complainant(s) at the time of sanctioning of the connection(s) and the supply is being used at site by the different consumers of IESCO with separate individual meters. The policy with respect to Grid Sharing Charges is applicable on new connection/extension of load, therefore, it is not justified to recover any cost from the Complainant against the already sanctioned load of 408 kW. The said charges will be applicable in this case on the extended load only i.e. (219 kW).

7. Please direct the concerned field formations to proceed in the matter accordingly and compliance report be submitted to this office within fifteen (15) days.


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


(Ubaid Ullah Memon)
Member Consumer Complaints Tribunal/
Director (CAD)


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


NEPRA
Islamabad
(CAD)

Islamabad, October 03, 2023