



# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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OFFICE OF THE  
REGISTRAR

No. NEPRA/RTCD-09/ 8797-98

25-7-2014

Chief Executive Officer,  
Lahore Electric Supply Company Ltd. (LESCO)  
22-A, Queens Road, Lahore

Subject: Decision in the Matter of Complaint Filed by Mr. Muhammad Afzal Sani, Deputy Chief Manager, State Bank of Pakistan under Section 39 of The Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 against LESCO Regarding Change of Tariff (A/C#27-11253-0016007)  
Complaint # LESCO-30/2014

Please find enclosed the decision of Member (Consumer Affairs) in the subject matter for necessary action and compliance within 30 days of the receipt of this letter.

Encl : As Above

( Iftekhar Ali Khan )  
Deputy Registrar

Copy to:

1. Chief Engineer/Customer Service Director, Lahore Electric Supply Company Ltd. (LESCO)  
22-A, Queens Road, Lahore
2. Mr. Muhammad Afzal Sani, Deputy Chief Manager, State Bank of Pakistan, SBP BSC (Bank).  
Lahore.



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

**Complaint No. LESCO-30/2014**

Mr. Muhammad Afzal Sani, ..... Complainant  
Deputy Chief Manager,  
State Bank of Pakistan, SBP BSC (Bank),  
Lahore.

Vs

Chief Executive Officer, ..... Respondent  
Lahore Electric Supply Company (LESCO),  
22-A, Queen's Road, Lahore.

Date of Hearing: June 25, 2014

Date of Decision: July 23, 2014

On behalf of:

Complainant: Mr. Muhammad Amin, Staff Officer, SBP Lahore

Respondent: Mirza Afzal Baig, Additional Manager LESCO


Subject: **COMPLAINT FILED BY MR. MUHAMMAD AFZAL SANI, DEPUTY CHIEF MANAGER, STATE BANK OF PAKISTAN UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING CHANGE OF TARIFF (A/C # 27-11253-0016007)**

**Decision**

1. This decision shall dispose of the complaint dated February 21, 2014 filed on behalf of State Bank of Pakistan, Lahore (hereinafter referred to as the "SBP" or "Complainant") against Lahore Electric Supply Company (hereinafter referred to as the "Respondent" or "LESCO") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

2. The Complainant in his complaint stated that they had requested LESCO to change tariff from A-2 (Commercial) to A-1 (Residential and general services) as the SBP, Lahore is an autonomous semi-government organization. The Complainant further stated that the matter has not yet been redressed by LESCO. The Complainant prayed that LESCO may be directed to change tariff from A-2 (Commercial) to A-1 (Residential and general services) of SBP, BSC (Bank), Lahore.
3. The matter was taken up with LESCO for submission of para-wise comments. In response, LESCO vide letter dated May 13, 2014 reported that the subject matter is under consideration in LESCO Headquarters which requires some time as the tariff was changed due to Audit observation.
4. To probe further into the matter, hearing was held on June 25, 2014 at NEPRA office, Islamabad which was attended by both the parties. During the hearing, the Complainant submitted that State Bank of Pakistan is a non-commercial organization and is a regulatory body and as per the SBP Act, 1956 it cannot engage itself in commercial activities, therefore, A-1 (Residential) tariff is applicable to SBP instead of A-2 (Commercial). The Complainant further stated that Sui Gas connection of SBP is under domestic tariff but LESCO is charging commercial tariff which is required to be corrected. The representative of LESCO stated that the SBP is having mixed load and their initial tariff was C-2. Now tariff A2-C is being charged to SBP.
5. The case has been examined in detail in light of documents provided by both the parties, applicable rules/regulations and arguments advanced during the hearing. It has been observed that SBP is a non-commercial, government entity and as per tariff terms and conditions of LESCO approved by NEPRA, A-1 (residential and general services) tariff is applicable to SBP but LESCO is charging A-2 (commercial) tariff to SBP, Lahore in violation of tariff terms and conditions of LESCO, approved by the Authority.
6. Foregoing in view, LESCO is hereby directed to change the tariff of SBP, Lahore from A-2 (commercial) tariff to A-1 (residential and general services) w.e.f. the date of receipt of complaint in NEPRA i.e. February 24, 2014 and adjustments be made accordingly.
7. Compliance report be submitted within 30 days.

Islamabad, July 23, 2014

  
(Maj (R) Haroon Rashid)  
Member (Consumer Affairs)  
