



**National Electric Power Regulatory Authority**  
Islamic Republic of Pakistan

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**Registrar**

No. NEPRA/CAD/TCD.05/15017-20

August 31, 2017

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

Subject: ORDER IN THE MATTER OF GRIEVANCE OF LESCO REGARDING  
NOC FOR UTILIZATION OF 11 KV AASHIANA SHOPPING CENTER  
FEEDER AS GROUPED FEEDER IN THE CENTRAL CITY AREA, MAIN  
BOULEVARD, GULBERG, LAHORE  
LESCO-68/2017

Enclosed find herewith the Order of NEPRA (04 pages) dated 29.08.2017 regarding the subject matter for information and necessary action, please.

Encl: As above

  
( Iftikhar Ali Khan )  
Director  
Registrar Office

Copy to: -

1. Chief Engineer/Customer Service Director  
Lahore Electric Supply Company Limited (LESCO)  
22-A, Queen's Road, Lahore.
2. Mr. Nisar Ahmed  
Aashiana Shopping Centre,  
78-D-1, Main Boulevard,  
near Liberty Chowk, Lahore
3. Mr. Pervez Hussain  
Boulevard Heights,  
11-K, Main Boulevard,  
Gulberg-II, Lahore



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

Complaint No. LESCO-68-2017

Lahore Electric Supply Company (LESCO) ..... Complainant  
22-A, Queen's Road, Lahore.

Versus

Aashiana Shopping Center ..... Respondents  
78-D-1, Main Boulevard,  
Near Liberty Chowk, Lahore.

Boulevard Heights  
11-K, Main Boulevard, Gulberg II, Lahore.

Date of Hearings: 3<sup>rd</sup> May 2017  
20<sup>th</sup> July 2017

Date of Decision: August ~~27~~, 2017

On behalf of:

Complainant: 1) Mr. Mohsin Raza Khan, C.E. (P&D)  
2) Mr. M. Mazhar, Manager (Mkt & Tariff)  
3) Mr. Faisal Zakria, Addl. Manager (P&D)  
4) Mr. Nasir Ali, Dy. Manager

Respondents: 1) Mr. M. Asghar (Aashiana Shopping Center)  
2) Syed Sibtain Hussain Bukhari, Advocate High Court (Aashiana)  
3) Mr. Amjad Saeed (Boulevard Heights)

Subject: **ORDER IN THE MATTER OF GRIEVANCE OF LESCO REGARDING NOC FOR  
UTILIZATION OF 11 KV AASHIANA SHOPPING CENTER FEEDER AS  
GROUPED FEEDER IN THE CENTRAL CITY AREA, MAIN BOULEVARD  
GULBERG, LAHORE**

**ORDER**

1. This Order shall dispose of the titled issue of Lahore Electric Supply Company (hereinafter referred to as "**LESCO**"), against Aashiana Shopping Centre, Lahore (hereinafter referred to as the "**Respondent 1**" or "**ASC**"). The letter submitted to the Authority by LESCO, vide letter dated 6-04-2017, shall be treated as a complaint under Section 39 of the Regulation

of Generation, Transmission and Distribution of Electric Power Act, 1997 (the "NEPRA Act") and resolved accordingly.

2. Brief facts of the case are that LESCO, vide letter dated 06-04-2017, apprised the National Electric Power Regulatory Authority (hereinafter referred to as the "Authority" or "NEPRA") that the Respondent 1 has undertaken external electrification of their commercial building. Approval for an ultimate load demand of 2872 kW was given to Respondent 1 on 07-05-2011 and supply of power, as proposed by their consultant M/s PowerCom, was allowed through an independent 11 kV feeder (hereinafter referred to as the "Aashiana Feeder") from the 132 kV Garden Town Grid Station. The construction of the feeder was completed by Respondent 1 and partial load of 1350 kW was allowed to Respondent 1's building from its own feeder, since the sponsors had not provided a completion certificate from the LDA at the time.

3. Subsequently, LESCO received an application for electrification of another nearby commercial building, M/s Boulevard Heights, (hereinafter referred to as the "Respondent 2" or "BHS") for a load of 3469.06 kW. Supply of power to Respondent 2's building was proposed through grouping the 11kV Aashiana Feeder, constructed for Respondent 1 through the consultant M/s PowerCom. After receiving an NOC/written consent from the Respondent 1's sponsors, vide letter dated 09-08-2012, the case was processed by LESCO and the SOP for Respondent 2's building was allowed via a grouped 11kV Aashiana Feeder. This grouping of feeders between commercial buildings and plazas was executed by LESCO under policy letter # 6891-97/GM(PE&S)/CE(DP), dated 06-10-1998, the relevant excerpt of which is as follows

"commercial buildings and shopping plazas having load demand of over 2500 kW shall be given supply of power through grouping with similar nature buildings on cost sharing basis proportionate to their load demand instead of proposing independent feeder."

4. Following LESCO's decision, Respondent 1 denied providing an NOC for the supply of electric power through their Aashiana Feeder, vide letters dated 29-06-2015 and 08-07-2015. LESCO responded by affirming that the matter is resolved under the relevant policy (6891-97/GM(PE&S)/CE(DP)) and a refund of costs shall be issued to Respondent 1 accordingly. No further response was received by LESCO from Respondent 1.

5. In light of the preceding facts, LESCO has submitted the instant complaint before the Authority for resolution and determination of the impugned matter. To probe further into the matter, hearings were held on 03-05-2017 and 20-07-2017 at NEPRA's Head Office Islamabad wherein representatives of LESCO, ASC and BHS participated and advanced their respective arguments.

6. This case has been examined in detail in light of the relevant documents, arguments advanced during the hearings and the applicable law. The controversy in the instant case is twofold:

- (i) Whether LESCO maintains the authority to change or convert Respondent 1's 11kV feeder from a Sponsored Dedicated Distribution System (SDDS) to a Common Distribution System (CDS); and



- (ii) The amount of compensation to be paid to Respondent 1, in the case of conversion of their Distribution System, and whether the Authority is empowered to determine the said amount.

7. The subject matters of the stipulated issues are governed under clause 4A(3) of the NEPRA Consumer Eligibility Criteria 2003 (hereinafter referred to as the "CEC 2003"), reproduced as follows –

*"(3) A distribution company shall have the right to change the Sponsored Dedicated Distribution System into Common Distribution System in the best public interest subject to compensation for the system to the Sponsor as mutually agreed between the Sponsor and the distribution company or in case of disagreement the distribution company shall refer the matter to the Authority for decision"*

8. Under clause 4A(3) of CEC 2003, it is abundantly clear that a Distribution Company is provided the unqualified right to change the status/category of a distribution system where (1) public interest is fulfilled and (2) mutually agreed compensation is paid by the Distribution Company to the system's sponsor. The said clause does not provide a sponsor the power to curtail or restrict a Distribution Company for changing the status/category of a distribution system by any means, including by withholding consent. In light of such, the Authority concurs with LESCO's view, that the Distribution Company does not require any permission, approval, consent or NOC from Respondent 1 to group the Aashiana Feeder for external electrification of other buildings, plazas, etc (i.e. convert the feeder from an SDDS to a CDS).

9. Further, LESCO has apprised that right-of-way in Lahore's Central Area (Main Boulevard, Gulberg) is a critical concern and it is in the best interest of work that electrification is done through grouping feeders for multiple buildings/projects. This is a valid public interest concern and provides LESCO with reasonable cause to undertake such policies, for achieving consummate electrification of the area and its inhabitants.

10. The second matter to be addressed is the issue of compensation. Under clause 4A(3) of CEC 2003, the Authority shall adjudicate upon the matter of compensation where the concerned parties fail to reach agreement. LESCO, in its letter dated 06-04-2017, has highlighted that they have intimated Respondent 1 regarding refund of cost of the Aashiana Feeder and have in turn received no response or confirmation. Hence, they have approached the Authority for resolution of the matter. In light of such, the Authority is empowered to resolve the issue of compensation to be paid by LESCO to Respondent 1 under clause 4A(3) of CEC 2003 and hereby determines that the compensation to be paid shall be equal to the actual costs incurred for the concerned Distribution System.

11. During the hearing, Respondent 1 expressed its concern regarding low voltage issue and non-provision of sanctioned load in case their feeder is shared with Respondent 2. In response, representative of LESCO assured that they will undertake and guarantee that Respondent 1 will be provided with full load as per the requirement without any voltage problem.

12. During the course of hearing it was brought on record that the impugned matter is pending adjudication before the Lahore Civil Court, that has, vide order dated 29-07-2015, rendered the following restraining order—

*OK*



“Relying on the affidavit and annexed other documents defendants are refrained from giving electricity supply to defendant No. 7 from the Feeder of the plaintiffs if the same is installed exclusively for plaintiffs. However, this order shall not affect the proceedings of any other court or competent authority”

NEPRA, being the competent authority to resolve this issue as per clause 4A (3) of the CEC 2003, is thereby not restricted by the above restraining order in exercising its jurisdiction in the instant case.

13. In view of the foregoing, it is hereby determined that LESCO may proceed with the conversion of the Aashiana Feeder from a Sponsored Dedicated Distribution System to a Common Distribution System, notwithstanding any approval, consent or NOC from ASC, and pay compensation to Respondent 1 equal to the actual cost incurred by Respondent 1 for the Aashiana Feeder.

Islamabad, August 29, 2017

(Syed Masood-ul-Hassan Naqvi)  
Member (Consumer Affairs)

