



National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

NEPRA Head Office

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

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**Consumer Affairs
Department**


TCD.05/1164 -2025
March 19, 2025

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

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD MUNIR ANJUM, GENERAL MANAGER OPERATIONS (POWER & MEP), M/S NISHAT HOTELS AND PROPERTIES LIMITED, UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION & DISTRIBUTION OF ELECTRIC POWER ACT, 1997, AGAINST LESCO REGARDING RECOVERABLE CHARGES.**
LESCO-NHQ-47450-12-24

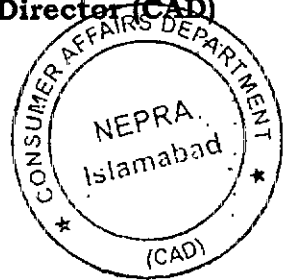
Please find enclosed herewith the decision of NEPRA Complaints Resolution Committee (CRC) dated March 19, 2025, regarding the subject matter for necessary action and compliance within thirty (30) days, positively.

Encl: As above


(Muhammad Abid)
Assistant Director (CAD)

Copy to:

1. Chief Engineer/Customer Services Director,
LESCO, 22-A, Queen's Road Lahore.
2. Rana Rizwan Sibghat Ullah,
Manager/Incharge Central Complaint Cell LESCO,
LESCO, 22-A, Queens Road, Lahore.
3. Mr. Muhammad Munir Anjum,
General Manager Operations (Power & MEP),
M/s Nishat Hotels and Properties Limited,
Nishat House 53-A, Lawrence Road, Lahore.
042-32593400





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

Complaint No. LESCO-NHQ-47450-12-24

Mr. Muhammad Munir Anjum
General Manager (Operations), Nishat Hotel
& Properties Limited, Level-3, Emporium Mall
Abdul Haque Road, Johar Town, Lahore.

..... Complainant

VERSUS

Lahore Electric Supply Company (LESCO)
22-A, Queens Road, Lahore

..... Respondent

Date of Hearing: December 24, 2024

On behalf of Complainant: Mr. Muhammad Munir Anjum, GM (Operation), NH&P

Respondent: Mr. Rustam Ali, Dy. Manager (Planning), LESCO

SUBJECT: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD MUNIR ANJUM GENERAL MANGER OPERATIONS NISHAT HOTELS & PROPERTIES LIMITED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING RECOVERABLE CHARGES.

DECISION

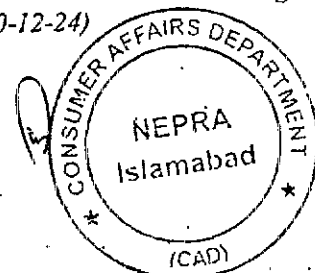
This decision shall dispose of the complaint filed by Mr. Muhammad Munir Anjum, General Manager (Operations), Nishat Hotel & Properties Limited (hereinafter referred to as the "Complainant") against Lahore Electric Supply Company (hereinafter referred to as the "Respondent" or "LESCO"), under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act").

2. NEPRA received a complaint from Mr. Munir Anjum wherein the Complainant submitted as under:

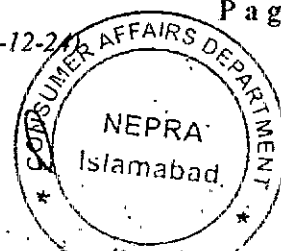
- i. Nishat Hotels & Properties Limited (NH&PL) operates a high rise/commercial building i.e. Emporium Mall at Johar Town, Lahore which is allowed for supply of power by LESCO through 4 Nos. 11 kV feeders through an independent power transformer installed at LESCO's 132 kV Johar Town-2 grid station. The said distribution system was developed on cost deposit basis and completely energized during the year 2017 under A2-C tariff.

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CRC Decision: M/S Nishat Emporium Mall vs LESCO (LESCO-NHQ47450-12-24)



- ii. The dispute agitated by the Complainant is that LESCO should takeover the maintenance, replacement and testing of the above-mentioned equipment i.e. power transformer, 11 KV feeders etc on its own expense. Resorting to relevant provisions of Consumer Service Manual (CSM), the Complainant requested for clarification whether LESCO or the Complainant is responsible for replacement, maintenance and testing of the equipment that is already under custody of LESCO.
3. The subject matter was taken up with LESCO and a hearing was held on December 24, 2024 at NEPRA Head Office, Islamabad which was attended by both the parties wherein matter was discussed in detail.
4. The case has been examined in detail in light of the record made so available by parties, arguments advanced during the hearing and applicable law. Following has been observed:
- i. Nishat Hotels & Properties Limited (NH&PL) operates a high rise/commercial building i.e. Emporium Mall at Johar Town, Lahore. The external electrification for the Emporium Mall was allowed by LESCO on cost deposit basis under A2-C tariff through 4 Nos. 11 kV feeders and an independent 20/26 MVA power transformer located at LESCO's 132 kV Johar Town-2 grid station. The design of external electrification consists of 4 Nos. feeders feeding the total load of 14.097 MW of which breakup is as under:
- a) Mixed load i.e. 11 kV Feeder No. 01 for shopping Mall having individual metering/billing for a total load of 4787.34 kW (202 individual connection).
 - b) Independent 11 kV Feeder No. 02 for Hotel/Banquet hall for total load of 2500 kW.
 - c) Independent 11 kV Feeder No. 03 for Common Services for total load of 4800 kW.
 - d) Independent 11 kV Feeder No. 04 for Hyper Star for total load of 2010 kW.
- ii. Approval of external electrification was granted by LESCO dated September 02, 2014 and the Distribution System was completely energized during year 2017. After energization, the Complainant was served with demand notices by LESCO regarding testing, maintenance/replacement of the equipment i.e. testing of 11 kV incoming panel/cables. The same were paid accordingly, however, the Complainant disputed the same with the view that LESCO should bear all cost regarding testing, maintenance and replacement of the equipment under custody of LESCO.
- iii. According to Clause 8(2) of NEPRA Consumer Eligibility Criteria (Electric Power Distribution) regulations, 2022 that the cost incurred for replacement and maintenance of any equipment including transformer, high and low tension lines in the Dedicated Distribution System (DDS) shall be borne by the sponsor. Moreover, clause 4 of ibid regulation envisages that the repair/maintenance of the Common Distribution System (CDS) shall be responsibility of the DISCO.
- iv. As per the approval of LESCO dated September 02, 2014 regarding external electrification, the relevant excerpt of Terms and Conditions (T&C) clearly indicate that LESCO has perceived the said distribution system as CDS wherein electricity can be provided to consumers other than sponsor of the dedicated distribution system, is as follows:
- "14. LESCO reserves the right to accommodate the other consumer OR LESCO system by utilizing the surplus/spare load other than 14.097 MW at above said 20/26 MVA power transformer installed against Emporium Mall in the vicinity



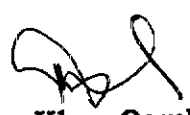
of "sponsor". However, due to future load growth in the area above said 20/26 MVA power transformer may be augmented with 40 MVA by LESCO by reserving the 14.097 MW load for the sponsor."

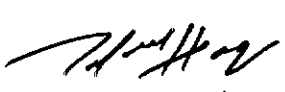
- v. According to clause 2.6 sub Note (xiii) of the Consumer Service Manual (CSM), in case of commercial plazas/high rise building, once DISCO takes over the system for individual metering and billing, the responsibility of maintenance, repair and replacement of the system rests with DISCO. In this case; LESCO has been carrying out individual metering/billing on the feeder providing electricity to shopping center located at the Emporium Mall. Hence, LESCO is responsible for testing, maintenance and replacement of the equipment i.e. power transformer and one 11 kV feeder providing electricity to shopping Mall through which individual connection has been provided. The sponsor is responsible for bearing the cost for repair, maintenance and replacement of equipment pertaining to remaining (3) independent feeders. Moreover, LESCO is at liberty to utilize the power transformer and the CDS feeder for providing electricity to its consumer. The Sponsor shall not claim any cost for reimbursement from LESCO for utilizing the feeders and the power transformer as CDS.


5. Foregoing in view, LESCO is directed to proceed as under:

- (i) To take over the power transformer alongwith other allied equipment and one feeder having 202 connections for its operation & maintenance by LESCO in future as a part of its common distribution system.
- (ii) The Complainant shall be responsible for maintenance of three independent feeders.
- (iii) LESCO may utilize the available capacity of power transformer and one CDS feeder for its other consumers if required.

6. Compliance report be submitted within thirty (30) days.


(Lashkar Khan Qambrani)
Member, Complaints Resolution Committee/
Director (CAD)


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


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

Islamabad, March 19, 2025

