



National Electric Power Regulatory Authority
ISLAMIC REPUBLIC OF PAKISTAN
Ataturk Avenue (East) Sector G-5/1, Islamabad.
Ph: 051-2013200, Fax: 051-2600021

**Consumer Affairs
Department**

TCD.05/ 5855 -2022
November 03, 2022

Chief Executive Officer
Multan Electric Power Company (MEPCO)
MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan.

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD ABID S/O MUHAMMAD MUMTAZ UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST MEPCO REGARDING ISSUANCE OF ADDITIONAL DEMAND NOTICE MEPCO-MUL-10653-02-22

Please find enclosed herewith the decision of the NEPRA Complaints Tribunal dated November 03, 2022 regarding the subject matter for necessary action and compliance within twenty (20) days, positively.

Encl: As above


(Muhammad Abid)
Assistant Director (CAD) 03/11/2022

Copy to:

1. Chief Engineer/Customer Services Director,
Multan Electric Power Company (MEPCO),
MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan.
2. Mr. Muhammad Abid s/o Muhammad Mumtaz,
Chakri Siyal, Basti Marla, Mouza Jindu Shah,
Tehsil Khairpur Tamewali,
District Bahawalpur.
0300-7831710



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

Complaint No. MEPCO-MUL-10653-02-22

Mr. Muhammad Abid S/o Muhammad Mumtaz

..... **Complainant**

Chakri Siyal, Basti Marla, Mouza Jindu Shah,
Tehsil Khairpur Tamewali,
District Bahawalpur.

VERSUS

Multan Electric Power Company (MEPCO)

..... **Respondent**

MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan.

Date of Hearing: April 04, 2022
May 30, 2022
June 09, 2022

**On behalf of
Complainant:**

- 1) Mr. Muhammad Abid
- 2) Mr. Altaf Ahmed

Respondent:

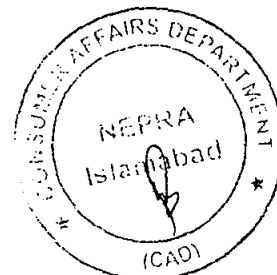
- 1) Mr. Muhammad Asghar Khan Manager (MM), MEPCO
- 2) Mr. Muhammad Hayat Tunio XEN (Operations), MEPCO

SUBJECT: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD ABID UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST MEPCO REGARDING ISSUANCE OF ADDITIONAL DEMAND NOTICE

DECISION

This decision shall dispose of the complaint filed by Mr. Muhammad Abid (hereinafter referred to as the "Complainant") against Multan Electric Power Company (hereinafter referred to as the "Respondent" or "MEPCO"), 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. Muhammad Abid s/o Muhammad Mumtaz received on February 16, 2022 wherein the issue agitated by the Complainant was that they applied to MEPCO for provision of new agricultural connection whereby a demand notice dated May 25, 2021 amounting to Rs. 480,590/- was issued by MEPCO which was subsequently paid during June, 2021. The Complainant further submitted that MEPCO issued revised/second demand notice on January 26, 2022 for payment amounting to Rs. 317,080/-, however being aggrieved with revised/second demand notice, he requested to direct MEPCO to install the connection as per the already paid demand notice in accordance with the relevant provisions of Consumer Service Manual (CSM). The Complainant alleged the MEPCO official for delayed installation of connection due to non-payment of bribery to MEPCO officials.

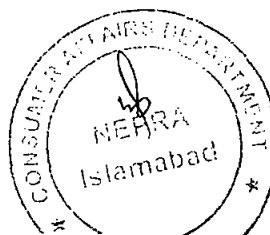


3. The subject matter was taken up with MEPCO. In response, MEPCO vide a report dated March 01, 2022 stated that the Complainant submitted an application for an agricultural connection with 19 KW for which a demand notice amounting to Rs. 480,590/- was issued and the same was paid by the Complainant on June 08, 2021. MEPCO further submitted that the connection remained pending for installation as material rates were revised w.e.f. October 01, 2021. In order to recover the difference of capital cost; an additional demand notice was issued to the Complainant for payment. MEPCO added that connection will be energized after payment of second/revised demand notice. Furthermore, MEPCO denied the allegation of illegal gratification leveled by the Complainant for early installation of connection. The report submitted by MEPCO was forwarded to the Complainant, however, the Complainant raised objection and apprised that report of MEPCO is based on mala fide intentions.

4. In order to finalize the matter, a hearing was held on May 30, 2022 at NEPRA Head Office, Islamabad which was attended by the Complainant only and MEPCO officials failed to attend the hearing. Subsequently, another hearing was held on June 09, 2022 wherein both the parties (MEPCO officials & the Complainant) participated and advanced their respective arguments. During the hearing MEPCO officials submitted that the connection was not installed due to non-availability of required material in stock balance of MEPCO. During the year 2021-22 numerous tenders were issued but scraped due to non-participation of bidders and escalation in raw material rates, therefore, no material could be procured. During the hearing, MEPCO was directed to provide stock balance record of material in stores of MEPCO. In compliance MEPCO submitted monthly stock balance record vide letter No. 422-26/CE(SP)/APS dated June 17, 2022.

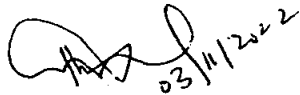
5. The case has been examined in detail in light of the record made so available by the parties, arguments advanced during the hearing and applicable law. Following has been observed:

- (i) The Complainant applied to MEPCO for a new agricultural connection on May 18, 2021 for 19.00 kW load. In response, MEPCO approved the application and accordingly issued a demand notice amounting to Rs. 480,590/- on May 25, 2021 which was paid by the Complainant on June 08, 2021 within prescribed time period. However according to MEPCO, the connection remained pending for installation due to non-availability of required material. Later, another/second demand notice amounting to Rs. 317,080/- was issued to the Complainant for payment on January 26, 2022.
- (ii) MEPCO did not commence execution work on the plea that material was not available in its store. The Complainant paid the demand notice in full on June 08, 2021. MEPCO should have arranged material however, the same was not done. In the meanwhile, material rates were revised during October, 2021. MEPCO issued revised demand notice to the Complainant as per the rates applicable vide price bulletin effective from October 01, 2021.
- (iii) Clause 2.7.1 of Consumer Service Manual (CSM) provides that in case where work is required to be carried out by DISCO and there is shortage of material or the material is not available due to any reason; DISCO may ask the sponsor/applicant to procure required material as per the specifications of DISCO at its own from the approved vendors of DISCO. In such case, material procured by the applicant shall be inspected/approved and installed by DISCO and the applicant will be charged 2.5% of the total cost of material as inspection fee and 8% of the material cost as installation charges.
- (iv) MEPCO is of the view that stock balance of MEPCO store was not sufficient for the allocation of material against the said connection. During 2021-22 numerous tenders were issued but scraped due to non-participation and escalation in raw material rates. Resultantly, material was not timely procured by MEPCO. This point of view of MEPCO is baseless. MEPCO should have asked the sponsor to procure material as per the specifications of MEPCO, as provided in CSM, however, the same was not done by MEPCO.

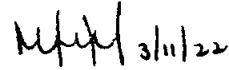


- (v) The load of the connection is 19.00 kW. According to time frame for new connections given in NEPRA Performance Standards (Distribution) Rules-2005 read with Consumer Service Manual (CSM) DISCOs are required to provide electricity connection for load above 15 kW but not exceeding 70 kW within thirty four (34) days after payment of demand notice. According to the provision of law; the connection should have been provided by July 12, 2021. However, in the instant case, even after lapse of more than a year of payment of demand notice, MEPCO has not yet provided the connection.
- (vi) The Complainant is liable to pay the cost of escalation of material if occurred during thirty four (34) days of payment of first demand notice and not liable for escalation cost if occurred after the prescribed time frame. In this case, the demand notices were paid on June 08, 2021, therefore, the Complainant is liable for payment on account of escalation of material if occurred by July 12, 2021. In view of the said, penalizing the Complainant through additional/revised demand notice on account of mismanagement on part of MEPCO officials is unwarranted and illegal.

6. From the above, it is concluded that MEPCO issued demand notice to the Complainant on May 25, 2021 which was paid by the Complainant on June 08, 2021. According to provisions of law, the connection was required to be installed within thirty four (34) days of payment of demand notice i.e. July 12, 2021, however, MEPCO failed to install the connection within the stipulated time period. The Complainant is liable to pay escalated charges if occurred upto July 12, 2021 (the time period under which MEPCO was obligated to energize the connection). Foregoing in view, MEPCO is directed to issue revised demand notice to the Complainant as per the rates applicable as on July 12, 2021. Upon payment of difference of cost (if any) MEPCO shall provide connection without further delay after completion of all the codal formalities. Compliance report be submitted within twenty (20) days.



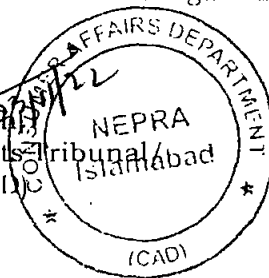
(Lashkar Khan Qambrani)
Member Consumer Complaints Tribunal
Director (CAD)



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



(Naweed Illahi Shail)
Convener Consumer Complaints Tribunal
Director General (CAD)



Islamabad, November 03, 2022