



National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

NEPRA Head Office

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

Ph:051-2013200, Fax: 051-2600021

**Consumer Affairs
Department**

TCD 06/ 5866 -2023
December 20, 2023

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. AMIR ALI -
OWNER AL-WALI ORCHARD UNDER SECTION 39 OF THE REGULATION
OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC
POWER ACT, 1997, AGAINST MEPCO REGARDING ILLEGAL CHARGING
COST OF FEEDER REHABILITATION
MEPCO-NHQ-21552-04-23**

Please find enclosed herewith the decision of NEPRA Consumer Complaints Tribunal dated December 20, 2023, regarding the subject matter for necessary action and compliance.

Encl: As above


(Muhammad Abid)
Assistant Director (CAD)

Copy: -

1. C.E/ Customer Services Director,
Multan Electric Power Company (MEPCO),
MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan.
2. Mr. Raheel Azhar, Additional Director,
NEPRA Regional Office, 39-First Floor, Orient Mall,
Khanewal Road, Multan.
3. Executive Engineer/ XEN (Op.), Sahiwal Division,
Multan Electric Power Company (MEPCO),
Sahiwal Division, Sahiwal.
4. Mr. Amir Ali,
Owner/Developer Al-Wali Orchard, Chak No. 82/6-R,
Sahiwal.
Cell: 0302-9230678



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

Complaint No. MEPCO-NHQ-21552-04-23

Mr. Amir Ali

Owner/Developer Al-Wali Orchard,
Chak No. 82/6-R, Sahiwal,
0302-9230678

..... **Complainant**

VERSUS

Multan Electric Power Company (MEPCO)

MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan.

..... **Respondent**

Date of Hearings: July 06, 2023
October 3, 2023

On behalf of

the Complainant: 1) Mr. Abdul Hameed,
2) Mr. Bilal Aslam,

Respondent: 1) Chief Engineer (Planning), MEPCO,
2) XEN (Operations) Sahiwal Division, MEPCO.

SUBJECT: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. AMIR ALI - OWNER AL-WALI ORCHARD, UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997, AGAINST MEPCO REGARDING CHARGING OF FEEDER REHABILITATION CHARGES.

DECISION

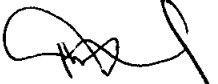
This decision shall dispose of the complaint filed by Mr. Amir Ali, Owner/Developer Al-Wali Orchard, Chak No. 82/6-R, Sahiwal (hereinafter referred to as the "Complainant") against Multan Electric Power Company (hereinafter referred to as the "Respondent" or "MEPCO"), under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act").


2. The Complainant submitted that he applied to MEPCO for approval of external electrification system of Al-Wali Orchard, Sahiwal through Al-Badar Engineering Consultants in November 2022. MEPCO granted approval for external electrification of "Al-Wali Orchard" and issued Demand Notice including Feeder Rehabilitation charges amounting to Rs. 69,56,035/- MEPCO's demand of this Feeder Rehabilitation charges is against the Procedure, Rules and Regulations of NEPRA Consumer Service Manual (CSM). As per Consumer Service Manual (CSM) "Rehabilitation charges on actual basis (if any) in case connection is provided from 11kV distribution feeder." In the instant case; no rehabilitation of the 11kV feeder has been accommodated the load of Al-Wali Orchard Town; therefore, rehabilitation charges are unjustified and the Complainant requested for withdrawal of the same.


3. The subject matter was taken up with MEPCO. In response, MEPCO vide letter No. 1548 dated July 05, 2023 stated as under;

- (i) The permissible limit of Voltage Drop (VD) and Technical loss (TL) by the complainant are not the part of current CSM, whereas the complainant has quoted reference of MEPCO BOD office order issued in December 2019. Applicable CSM 2021 has not mentioned any permissible limits despite it says the recovery of Rehabilitation charges on an Actual basis.

- (ii) MEPCO has to serve several applications of housing societies and general connections including B-2 and B-3 connections from its own distribution system. A study carried out for the housing society showing losses and voltage drop within permissible limits will be out of limit for next coming applicants (general domestic, commercial and other connections) and required to be upgraded through re-conductoring and bifurcation.
- (iii) If Rehabilitation charges are not obtained from each and every Sponsor of housing societies that have inserted its load on the 11kV Distribution feeder considering the permissible limit of Voltage Drop and Technical Losses, it would be difficult for MEPCO to proceed with the up-gradation of the 11kV system without obtaining of funds through rehabilitation charges.
- (iv) Therefore, to keep 11 kV system running smoothly, it is required to charge Rehabilitation charges to each and every applicant of Housing Societies and Commercial Buildings.
4. In order to finalize the matter, hearings were held on July 06, 2023 and October 03, 2023 at NEPRA Head Office, Islamabad which were attended by both parties (i.e., MEPCO and the Complainant). During the hearing, the issue was discussed in detail. The Complainant submitted that no up-gradation is required in the existing feeder as per load flow analysis, therefore, rehabilitation charges are not payable.
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 electrification of Al-Wali Orchard on January 18, 2023. MEPCO issued approval on March 01, 2023. The demand notice included rehabilitation charges of Rs. 69,56,035/-. The rehabilitation charges have been raised for re-conductoring of the line/ up-gradation; however at this stage no up-gradation is required and the load of the Complainant i.e. 815kW can be accommodated from the existing system.
- (ii) Clause 2.6 Sr. No. 04 of the Consumer Service Manual (CSM) provides that "Rehabilitation charges on actual basis (if any) in case connection is provided from 11kV distribution feeder." The Complainant is of the view that MEPCO has not carried out rehabilitation of the existing 11kV feeder and has charged rehabilitation charges to the Complainant which is unjustified. The load flow studies show that the existing parameters of the feeder of 11kV Chak No. 81/5-R feeder got disturbed upon feeding the proposed load of the Complainant and the same feeder will require up-gradation in future upon provision of connections to next prospective applicants. If the rehabilitation charges are not recovered from the instant complainant and are recovered from prospective consumers in future, it would be discriminatory with the upcoming consumers.
- (iii) According to National Electric Power Regulatory Authority Consumer Eligibility Criteria (Distribution Licensees) Regulations, 2022, a distribution licensee shall ensure that all applicants and consumers are treated in a non-discriminatory, fair, transparent and just manner for provision of electricity.
6. Foregoing in view, MEPCO is directed to recover the rehabilitation charges from the Complainant and provide supply to the M/s Al Wali Orchard. MEPCO is further directed to up-grade the 11kV Chak No. 81/5-R feeder on urgent basis to meet the required parameters of the feeder.


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


(Muhammad Irfan-ul-Haq)
Member Consumer Complaints Tribunal
Assistant Legal Advisor


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

Islamabad, December 26, 2023