



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**

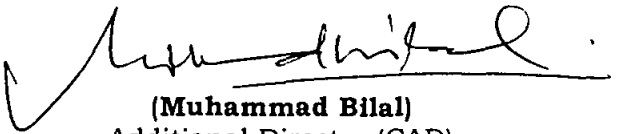
TCD 10/ 2589 -2023
June 23, 2023

1. Managing Director,
National Transmission & Dispatch Company (NTDC),
2nd Floor, Shaheen Complex, Egerton Road, Lahore.
2. Chief Executive Officer,
Central Power Purchasing Agency (Guarantee) Limited,
73-West, Shaheen Plaza, Fazl-e-Haq Road,
Blue Area, Islamabad.
3. Chairman,
Pak-Arab Refinery Limited (PARCO),
Corporate Headquarters, Korangi Creek Road, Karachi.

Subject:- **DECISION IN THE MATTER OF COMPLAINT FILED BY CHIEF
EXECUTIVE OFFICER, MULTAN ELECTRIC POWER COMPANY
(MEPCO), UNDER SECTION 39 OF THE REGULATION OF GENERATION,
TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997,
AGAINST NTDC, CPPA-G & PARCO REGARDING SHIFTING OF CDP
POINT FROM EXISTING 220KV TPS MUZAFFARGARH TO 220KV
PARCO QASBA GUJRAT GRID STATION.**
NTDC-NHQ-17831-11-22

Please find enclosed herewith the decision of the NEPRA Complaints Tribunal dated June 22, 2023, regarding the subject matter, for necessary action and compliance within thirty (30) days, positively.

Encl: As above


(Muhammad Bilal)
Additional Director (CAD)

Copy: -

1. Chief Executive Officer,
Multan Electric Power Company (MEPCO),
MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan.
2. C.E/ Customer Services Director,
Multan Electric Power Company (MEPCO),
MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan.



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

Complaint No. NTDC-NHQ-17831-11-22

Chief Executive Officer

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

..... **Complainant**

VERSUS

National Transmission & Dispatch Company (NTDC)

2nd Floor, Shaheen Complex, Edgerton Road, Lahore.

..... **Respondent No. 1**

Central Power Purchasing Agency Guarantee (CPPA-G) Limited

Plot No. 73-West, Shaheen Plaza, Fazl-e-Haq Road, Blue Area, Islamabad.

..... **Respondent No. 2**

Chairman Pak-Arab Refinery Limited (PARCO)

Corporate Headquarters, Korangi Creek Road, Karachi.

..... **Respondent No. 3**

Date of Hearing: May 31, 2023

**On behalf of
Complainant:**

- 1) Mr. Khalid Nazir Chief Engineer (T&G), MEPCO
- 2) Mr. Muhammad Arshad, Chief Engineer, MEPCO
- 3) Mr. Shoukat Hussain, Manager (CM&RA), MEPCO

Respondent:

- 1) Mr. Munawar Hussain GM (Technical), NTDC
- 2) Mr. Imran Maqbool Manager (Project), NTDC
- 3) Mr. Arshad Ali Chief Engineer, NTDC
- 4) Mr. Tariq Mehmood Manager (MSP), NTDC
- 5) Mr. Umer Ahsan DM (MSP), NTDC
- 6) Mr. Sarmad Ehsan DM (B&R), NTDC
- 7) Mr. Usama A. Chaudhary Group Head (Legal), PARCO
- 8) Mr. Zohaib Azam Electrical Engineer-I, PARCO
- 9) Mr. Muhammad Tahir, PARCO
- 10) Mr. Aijaz Mohsin Dy. General Manager, CPPA-G
- 11) Mr. Ghulam Nabi Korai Dy. Manager, CPPA-G

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY CEO MEPCO UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION & DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST NTDC, CPPA-G & PARCO REGARDING SHIFTING OF COMMON DELIVERY POINT (CDP) FROM 220 KV TPS MUZAFFARGARH TO 220 KV PARCO QASBA GUJRAT GRID STATION

DECISION

This decision shall dispose of the complaint filed by Chief Executive Officer Multan Electric Power Company (hereinafter referred to as the "Complainant" or "MEPCO") against National Transmission & Dispatch Company (hereinafter referred to as the "Respondent No.1" or "NTDC"), Central Power Purchasing Agency (Guarantee) Limited (hereinafter referred to as the "Respondent No.2" or "CPPA") & Pak-Arab Refinery Limited (hereinafter referred to as the "Respondent No.3" or "PARCO") 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 MEPCO dated October 17, 2022 wherein the Complainant raised the issue of establishment of Common Delivery Point (CDP) for delivery of power between NTDC, MEPCO and PARCO as per details below:

- i. A Common Delivery Point (CDP) was established at TPS Muzaffargarh grid station between MEPCO & NTDC which is also exporting electricity to PARCO through 220 kV double circuit transmission line. The energy meters are installed on HV side of 220/11kV, 54 MVA Auto Transformers at consumer premises i.e PARCO owned 220kV Grid Station. MEPCO is of the view that because CDP is at TPS Muzaffar Garh instead of 220kV PARCO grid, it is bearing 5% more losses by feeding the 220kV transmission line. There is a distance of 28 KM between the CDP and the metering point of PARCO, while the line is owned by NTDC as well. The grid being in the service territory of MEPCO and MEPCO is responsible for billing the consumers according to the energy consumed.
- ii. MEPCO submitted its request to CPPA-G, for shifting of CDP, wherein the matter was deliberated but no fruitful results were achieved.
- iii. Furthermore, MEPCO is paying Usage of System Charges (UoSC) to NTDC on the basis of MDI recorded on CDP. As the transmission line being asset of NTDC, it should bear the loss of system as well, although the same are being borne by MEPCO.
- iv. MEPCO has further quoted a similar nature of case in IESCO, wherein 220kV consumer Grid Station Bahria Town, Phase-VIII is being fed through IN/OUT arrangement of 220kV Peshawar Road, New Rawat Circuit, and its losses are borne by NTDC.

3. The matter was taken up with NTDC, CPPA & PARCO vide letter dated November 08, 2022. In response, PARCO vide letter dated November 30, 2022 submitted inter alia that MEPCO already pays UoSC to NTDC on the basis of MDI recorded at Common Delivery Point (CDP) established at TPS Muzaffargarh and PARCO will continue to pay billing charges as per meter reading at 220 kV PARCO grid station therefore, the complaint against PARCO does not merit any consideration. CPPA-G submitted in its report dated December 15, 2022 that:

- i. Under the functions of Metering Service Provider (MSP), NTDC constituted a standing committee which held its first meeting on October 29, 2021. During the meeting CPPA informed that 220kV TPS Muzaffargarh-PARCO transmission line is the responsibility of NTDC as per network boundary defined in the Grid Code and the request of MEPCO may be considered for future billing.
- ii. MEPCO's request regarding establishment of new CDP was also evaluated through joint meetings held with MEPCO by NTDC and the issue raised by MEPCO was

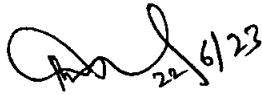
considered as per standard practice without any conclusive outcome.

4. In order to proceed further into the matter, hearings were scheduled for March 29, 2023 and May 12, 2023 at NEPRA which were postponed both the times, however, a hearing was held on May 31, 2023 at NEPRA Head Office, Islamabad and the same was attended by all the parties. During the hearing, MEPCO representative submitted that the 220kV Transmission Line is owned by NTDC, therefore bearing of Line Losses of the Transmission Line is obligation of NTDC. During the hearing, the parties arrived at consensus to shift the CDP on HV side of the Power Transformers installed at 220kV PARCO grid station with immediate effect.

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

- i. Common Delivery Point (CDP) between NTDC & MEPCO was established at 220 kV Thermal Power Station Muzaffargarh grid station as per the relevant provision of the Grid Code and the same is used for point of metering for the energy supplied to & from NTDC at the CDP. Subsequently after the commissioning of 220 kV PARCO Qasba Gujrat grid station being fed from 220 kV transmission line originating from TPS Muzaffargarh grid station having total length of 28 KM, MEPCO is being levied with financial cost in connection with the transmission losses occurring on the said transmission line.
- ii. PARCO being located within electricity distribution jurisdiction of MEPCO, is billed by MEPCO on the basis of energy consumption recorded by (2) Nos. of meters installed at high voltage side of 220/11 kV auto transformers located at the premises of PARCO i.e. 220 KV PARCO grid station. This essentially points out the fact that MEPCO is importing electricity at the CDP declared at TPS Muzaffargarh grid station and transmitting it over 28 KMs of 220 kV transmission line thus finally exporting it to PARCO at the consumer owned grid station implying the unwarranted function of electricity transmission.
- iii. NTDC has based its understanding for the establishment of CDP on a fact that In/Out arrangement of circuit through an IPP i.e. TPS Muzaffargarh automatically designates TPS Muzaffargarh as CDP under modalities of connection code of Grid Code. However, there is no force in this argument of NTDC as according to the definition envisaged in the NEPRA Act & the Grid Code, Connection Point between two entities must be where one entity's electrical facilities connect with other entity's electrical facilities which is 220 kV PARCO grid station in the instant matter as the 220 kV TPS Muzaffargarh-PARCO transmission line is under administrative control of NTDC and the same jurisdiction concludes at terminal structure of 220 kV PARCO grid station. Hence, the same can be designated as CDP being a point of connection between these two entities.
- iv. In accordance with the transmission license issued to NTDC by the Authority, NTDC shall own and operate the entire assets of 500 kV and 220 kV transmission lines and substations which essentially points out that 220 KV TPS Muzaffargarh-PARCO transmission line is owned and maintained by NTDC and the transmission losses shall also be borne by NTDC. The perusal of the record further manifest that MEPCO has sustained huge financial losses for the 220 kV TPS Muzaffargarh-PARCO transmission line despite paying UoSC to NTDC for the same transmission line. This clearly reflects that the 220 kV transmission line and its associated loss is the responsibility of NTDC which relieves MEPCO of any liability towards the transmission losses. Moreover, CPPA is also of the view that CDP should be declared at 220 kV PARCO grid station as per network boundary defined by the Grid Code.

6. Foregoing in view, NTDC is directed to shift Common Delivery Point from TPS Muzaffargarh grid station to 220 kV PARCO Qasba Gujrat grid station after completion of all the codal formalities with immediate effect as agreed during the hearing by the parties. Compliance report be submitted within Thirty (30) days, positively.



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



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



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

Islamabad June 22, 2023