

# 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/ 122 -2024 January 4, 2024

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

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY SPONSOR, M/S
REHAN GARDEN, PHASE-II, UNDER SECTION 39 OF THE REGULATION
OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC
POWER ACT, 1997, AGAINST MEPCO REGARDING REHABILIATION
CHARGES AGAINST EXTERNAL ELECTRIFICATION OF REHAN GARDEN
PHASE-II, CHISHTIAN.

MEPCO-NHQ-25514-06-23

Please find enclosed herewith the decision of NEPRA Consumer Complaints Tribunal dated January 4, 2024, regarding the subject matter for necessary action and compliance.

Encl: As above

(Muhammad Abid)
Assistant Director (CAD)

### Copy: -

- C.E/ Customer Services Director, Multan Electric Power Company (MEPCO), MEPCO Complex, WAPDA Colony, Khanewal Road, <u>Multan</u>.
- Mr. Raheel Azhar, Additional Director, NEPRA Regional Office, 39-First Floor, Orient Mall, Khanewal Road, <u>Multan</u>.
- 3. Executive Engineer/ XEN (Op.), Chishtian Division, Multan Electric Power Company (MEPCO), Near Sir Syed School, Chishtian. Bahawalnagar.
- 4. Sponsor, M/s Rehan Garden, Phase-II, Near Ahmed General Hospital, Abu Bilal Petroleum, Main Bahawalnagar Road, <u>Chishtian</u>.



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

Complaint No. MEPCO-NHQ-25514-06-23

M/s Rehan Garden, Phase-II,

..... Complainant

Near Ahmed General Hospital, Abu Bilal Petroleum, Main Bahawalnagar Road, Chishtian.

Versus

Multan Electric Power Company (MEPCO),

..... Respondent

MEPCO Complex, WAPDA Colony, Khanewal Road, Multan.

Date of Hearings:

September 14, 2023 &

October 03, 2023

On behalf of

the Complainant:

1) Mr. Khalid Rashid

Respondent:

1) XEN (Design), MEPCO.

Subject: DECISION IN THE MATTER OF COMPLETNT FILED BY SPONSOR, M/S REHAN GARDEN, PHASE-II UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997, AGAINST MEPCO REGARDING REHABILITATION CHARGES AGAINST EXTERNAL ELECTRIFICATION OF REHAN GARDEN PHASE-II, CHISHTIAN.

This decision shall dispose of the complaint filed by M/s Rehan Garden, Phase-II, Near Ahmed General Hospital, Abu Bilal Petroleum, Main Bahawalnagar Road, Chishtian (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").

Similar nature of complaints i.e. Mr. Arslan Khalid, M/s Palm Avenue (Housing Scheme) vs. MEPCO (Complaint No. MEPCO-NHQ-24184-05-23) and Mr. Amir Ali, M/s Al-Wali Orchard vs. MEPCO (Complaint No. MEPCO-NHQ-21552-04-23) have already been decided by this office vide decisions dated December 20, 2023. MEPCO is directed to proceed in the instant matter in light of the said decisions. Copies of the said decisions are enclosed for ready reference.

This complaint is disposed of in above terms.

(Lashkar Khan Qambrani)

(Muhammad Irfan-ul-Haq)

Member (Consumer Complaints Tribunal)/

Member Consumer Complaints Tribunal Assistant Legal Advisor

Director (CAD)

(Naweed Illahi Shaikh)

Convener Consumer Complaints Tribunal/

Director General (CAD)

Islamabad, January vy, 2024

3.

# Endau S

# 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/ \$866 -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: -

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



# 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)

..... Respondent

MEPCO Complex, WAPDA Colony, Khancwal Road, Multan.

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 (hereinaster 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").

- 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.
- 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.

Page 1 of 2

- (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 upgrade 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 Hiaki Shaikh)

Convener Consumer Complaints Tribunal/

Director General (CAD)

Islamabad, December 20, 2023

Page 2 of 2



### 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/ 5867 -2023 December 20, 2023

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

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD ARSLAN KHALID, PALM AVENUE (HOUSING SCHEME), UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997, AGAINST MEPCO REGARDING REHABILITATION CHARGES.

MEPCO-NHQ-24184-05-23

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: -

- C.E/ Customer Services Director, Multan Electric Power Company (MEPCO), MEPCO Complex, WAPDA Colony, Khanewal Road, <u>Multan</u>.
- Executive Engineer/ XEN (Op.), Bahawalnagar Division, Multan Electric Power Company (MEPCO), Minchanabad Road, WAPDA, <u>Bahawalnagar</u>.
- Mr. Muhammad Arslan Khalid, Palm Avenue (Housing Scheme), Sabzazar Road, Bahawalnagar. 0333-4044469



## BEFORE THE

# NATIONAL ELECTRIC POWER REGULATORY AUTHORITY [NEPRA]

# Complaint No. MEPCO-NHQ-24184-05-23

Mr. Muhammad Arslan Khalid Palm Avenue (Housing Scheme). Sabzazar Road, Bahawalnagar, 0333-4044469

**VERSUS** 

Multan Electric Power Company (MEPCO) MEPCO Complex, WAPDA Colony,

..... Respondent

...... Complainant

Khanewal Road, Multan.

Date of Hearings:

July 25, 2023 October 03, 2023

On behalf of

Complainant:

Mr. Abdul Hameed

Respondent:

1) Mr. Asghar Langah, Addl. Chief Engineer (Planning),

2) Mr. Waqar Ali, SDO (Operation).

SUBJECT: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD ARSLAN KHALID, PALM AVENUE (HOUSING SCHEME), UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997, AGAINST MEPCO

REGARDING REHABILITATION CHARGES.

MEPCO-NHQ-24184-05-23

### DECISION

This decision shall dispose of the complaint filed by Mr. Muhammad Arslan Khalid, Palm Avenue (Housing Scheme), Sabzazar Road, Bahawalnagar (hereinaster reserved to as the "Complainant") against Multan Electric Power Company (hereinaster referred to as the "Respondent" or "MEPCO"), under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinaster referred to as the "NEPRA Act").

- NEPRA received a complaint from Mr. Muhammad Arslan Khalid, wherein the issue agitated by the Complainant was that the proposal for external electrification of Palm Avenue (Housing Scheme) Sabzazar Road, Bahawalnagar was submitted through the consultant Al-Badar Engineering Consultants vide letter dated 08-02-2023 for approval. MEPCO issued Demand Notice No. 5302-10/CE(P&E)/CB-4036 dated 12-05-2023. MEPCO has charged Rs. 1,56,11,392/- as Rehabilitation Charges on the basis of Load Flow Analysis of 11 KV Jail Wala Feeder emanating from 132 kV Grid Station Bahawalnagar without consideration of maximum permissible limit of 5% voltage drop and 3.5% Technical Loss. The Complainant further submitted that the results of load flow show that voltage drop and technical losses are within permissible limits before and after simulation of load on that feeder. The Complainant prayed that rehabilitation charges be withdrawn.
- The subject matter was taken up with MEPCO. In response, MEPCO vide letter No. 2049 dated July 24, 2023 submitted that the permissible limit of voltage drop and technical loss by the complainant is not the part of current CSM 2021 issued in January 2021, despite it says that: "Rehabilitation charges on actual basis (if any) in case connection is provided from 11kV distribution feeder". Moreover; MEPCO has to serve several applications

( ) by

of housing societies and general connections including B-2 and B-3 (if lead is less than (IMW) connections from its own distribution system. A study carried out for 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 reconductoring and bifurcation. If Rehabilitation charges are not recovered 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 loss, it would be difficult for MEPCO to proceed with the up-gradation of the 11kV system without obtaining of funds through rehabilitation charges. 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.

- In order to finalize the matter, a hearing was held on July 25, 2023 at NEPRA Head Office, Islamabad which was attended by both parties (i.e., MEPCO and the Complainant). During the hearing, the issue was discussed in detail. On a query; MEPCO officials informed that no up-gradation in the existing 11kV feeder has carried out to accommodate the load of the Complainant, however the feeder requires up-gradation/ rehabilitation to provide connections to upcoming applicants.
- The case has been examined in light of the record made so available it y the parties, arguments advanced during the hearing and applicable law. Following has be in observed:
  - The Complainant applied for electrification of Palm Avenue (Housing Scheme). The ultimate load of the scheme is 1455kW. MEPCO issued Demand Notice dated May 12, 2023.
  - (ii) MEPCO charged Rehabilitation charges amounting to Rs. 1,56,11,392/-.
  - (iii) 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 Jal Wala 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.
  - (iv) 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.

Foregoing in view, MEPCO is directed to recover the rehabilitation charges from the Complainant and provide supply to the M/s Palm Avenue (Housing Scheme). MEPCO is further directed to up-grade the 11kV Jal Wala 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)

7/-1/-00

Member Consumer Complaints Tribunal

Assistant Legal Advisor

(Nawced Illahi Shalkh) Convener Consumer Complaints Tribunal/

61142

Director General (CAD) /

Islamabad, December 2, 2023

Page 2 of 2