

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/ 2/82-2024 May 10, 2024

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
AJMAL S/O NABI BAKHSH, UNDER SECTION 39 OF THE REGULATION OF
GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER
ACT, 1997, AGAINST MEPCO REGARDING ISSUANCE ADDITIONAL
DEMAND NOTICE (A/C# 29 15713 0777532).
MEPCO-NHQ-30021-10-23

Please find enclosed herewith the decision of NEPRA Complaints Resolution Committee dated May 10, 2024, regarding the subject matter for necessary action and compliance within thirty (30) days, positively.

Encl: As above

(Muhammad Sila) Al Additional Director (CAD)

NEPRA

Islamab,

(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.), Khan Garh Division, Multan Electric Power Company (MEPCO), Karachi Road, Near Shakir Academy, Khan Garh, District Muzaffargarh.

 Mr. Muhammad Ajmal S/o Nabi Bakhsh, Mouza Shaker Bela, P.O. Khangarh, <u>Tehsil & District Muzaffargarh.</u> 0313-6382541



BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

(NEPRA)

Complaint No. MEPCO-NHQ-30021-10-23

Mr. Muhammad Ajmal Mouza Shaker Bela, P.O. Khangarh Tehsil & District <u>Muzaffargarh</u>. Complainant

..... Respondent

VERSUS

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

Date of Hearing:

February 22, 2024

On behalf of

Complainant:

Mr. Hayat Muhammad

Respondent:

Mr. Khalid Rasool Revenue Officer, MEPCO

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

NOTICES

DECISION

This decision shall dispose of the complaint filed by Mr. Muhammad Ajmal (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 in his complaint submitted that he approached MEPCO for provision of agricultural connection against which a demand notice amounting to Rs. 2,32,907/- was issued by MEPCO which was subsequently paid. Later, another demand notice amounting to Rs. 1,73,340/- was issued and the same was also paid under protest while the connection was installed in May 2022. The Complainant further submitted that MEPCO also issued third demand notice amounting to Rs. 87,722/- during the month of July, 2022 for payment. Being aggrieved with both the latter demand notices, the Complainant requested to direct MEPCO to withdraw the same.
- 3. The subject matter was taken up with MEPCO whereby MEPCO vide a letter dated January 12, 2024 inter alia submitted that the revised demand notice amounting to Rs. 1,73,340/- was issued to the Complainant due to revision of material rates and the same is liable to paid by the Complainant. In order to proceed further, a hearing was held on February

NEPRA CRC Decision: MEPCO-NHQ-30021-10-23 (Mr. Muhammad Ajmal VS MEPCO)

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- 22, 2024 at NEPRA Head Office, Islamabad wherein both the parties participated and advanced their respective arguments.
- 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. The Complainant approached MEPCO for a new agricultural connection load of (19) kW. In response, MEPCO approved the application and issued a demand notice amounting to Rs. 2,32,907/- dated September 29, 2021 which was paid by the Complainant on September 30, 2021. Later, another demand notice amounting to Rs. 1,73,340/- dated March 22, 2022 was issued and the same was also paid by the Complainant under duress on April 07, 2022. Subsequently, the Complainant was again charged with third revised demand notice amounting to Rs. 87,722/- dated July 22, 2022, however, the connection was already installed by MEPCO on May 21, 2022.
 - ii. Perusal of the documentary evidence submitted by MEPCO revealed that the Complainant was charged difference of capital cost of the required material i.e. 25 kVA transformer etc. The record further reflects that the rates of material were revised on October 01, 2021 & May 01, 2022, and the required material was allocated on May 07, 2022 which led to issuance of (2) Nos. of revised demand notices on the separate dates.
 - iii. According to the time frame for new connection given in NEPRA Performance Standards (Distribution) Rules, 2005 read with Consumer Service Manual (CSM), DISCOs are required to provide electricity connection within time period of (34) days from the date of payment of demand notice in case of load between 15-70 kW. In the instant matter, the demand notice was paid in full on September 30, 2021 and the connection having sanctioned load of (19) kW should have been installed by November 04, 2021, however, the same was installed on May 21, 2022.
 - iv. According to clause 2.7.1 of the CSM, in the cases where there is shortage/non availability of material, DISCOs can ask the applicant to procure required material as per the specifications of DISCOs. In the instant case, if there was any shortage/non availability of the material, MEPCO should have informed the Complainant for procurement of the same on its own, however, MEPCO neither installed the connection in time nor informed the Complainant for the procurement of the unavailable material.
 - v. The Consumer Service Manual (CSM) read with subsequent amendments stipulates that if escalation in cost of material takes place within the time period required for installation of connection, then in such a case additional cost due to escalation, shall be paid by the applicant. No escalation charges shall be applicable if enhancement in rates of material takes place after the lapse of time period given for installation of connection.
 - vi. Revision of rates of material occurred on October 01, 2021 and MEPCO issued 2nd demand notice on March 22, 2022 as per the rates applicable as on October 01, 2021; therefore the same is justified. However, penalizing the Complainant through the third demand notice i.e. Rs. 87,722/- based on the cost escalation materializing (occurred on May 07, 2022) after the lapse of time period required for the installation of connection is unwarranted and is in violation of the clause 2.4.6 of CSM therefore the same is not liable to be paid by the Complainant

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5. Foregoing in view, MEPCO is directed to withdraw demand notice No. 4446 dated July 22, 2022 amounting to Rs. 87722/- being in violation of provision of Consumer Service Manual (CSM). Compliance report to be submitted within thirty (30) days.

5۔ مندر جہ بالا حقائق کے پیش نظر بیپکو کوہدایت کی جاتی ہے کہ وہ ڈیمانڈ نوٹس نمبر 4446مور خہ 22جولائی 2022جس کی رقم -/87722 بنتی ہے، کنزیومر سروس مینول (CSM) کی شقوں کی خلاف ورزی ہونے کی وجہ سے منسوخ کرے۔ تعمیل کی رپورٹ تیس (30) دنوں کے اندر جع کر ائی جائے۔

(Lashkar Khan Qambrani)

Member, Complaints Resolution Committee/ Director (CAD) (Moqeem ul Hassan)

Member, Complaints Resolution Committee/

Assistant Legal Advisor (CAD)

(Nawced Illahi Shaikh)

Convener, Complaints Resolution Committee/

Director General (CAD)

Islamabad, May 10, 2024