



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.06/4719-2024
October 25, 2024

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

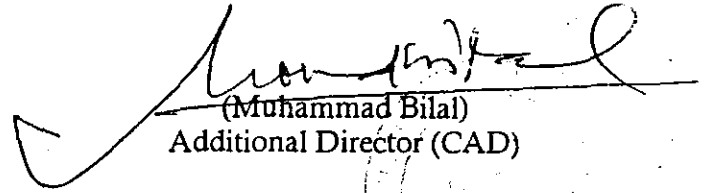
Subject: - **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. WASEEM UR REHMAN S/O SAMI UR REHMAN UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997, AGAINST MEPCO REGARDING CORRECTION OF TARIFF (A/C# 29-15726-0753903-R).**
MEPCO-NHQ-34529-02-24

Please find enclosed herewith the decision of the NEPRA Complaints Resolution Committee (CRC), dated October 25, 2024 regarding the subject matter for necessary action and compliance within thirty (30) days.

Encl: As above

Copy:

1. C.E/ Customer Services Director,
Multan Electric Power Company (MEPCO),
MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan.
2. Chief Engineer (P&E), MEPCO,
MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan.
3. Mr. Raheel Azhar, Additional Director,
NEPRA Regional Office, 39-First Floor, Orient Mall,
Khanewal Road, Multan.
4. Executive Engineer/ XEN (Op.), Kot Addu Division,
Multan Electric Power Company (MEPCO),
132 kVA Grid Station, Kot Addu,
District Muzaffargarh.
5. Mr. Waseem Ur Rehman S/o Sami Ur Rehman,
Postal Address:
Mr. Najm-ul-Saqib,
House No. 03, Line No. 03, Satelite Town, Multan.
0300-9638786


(Muhammad Bilal)
Additional Director (CAD)



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No. MEPCO-NHQ-34529-02-24

Mr. Waseem ur Rehman
Chah Jam Wala near Qureshi Farm House
Rang Pur, Kot Addu.

..... **Complainant**

VERSUS

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

..... **Respondent**

Date of Hearing: May 08, 2024
August 05, 2024

On behalf of Complainant:
1) Mr. Sarjeel Mowahid
2) Mr. Muhammad Khizar Zeb

Respondent:
1) Mr. Jawad Masood CSD, MEPCO
2) Mr. Assad Hammad Director (Commercial), MEPCO
3) Mr. Arshad Munir DD (Planning), MEPCO

SUBJECT: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. WASEEM UR REHMAN UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST MEPCO REGARDING CORRECTION OF TARIFF (Ref # 29-15726-0753903)

DECISION

This decision shall dispose of a complaint filed by Mr. Waseem ur Rehman (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. Waseem ur Rehman dated January 16, 2024 wherein the Complainant submitted that he applied to MEPCO of consolidation/extension of agricultural load already sanctioned against 6 (six) Nos. of energized tube well connections which was, later, approved by MEPCO against independent 11 kV feeder and industrial tariff i.e. B3 was applied. The Complainant was of the view that the same must be sanctioned under agricultural tariff considering the fact that approved load shall be used for agricultural purposes i.e. pivot type cultivation.

3. The matter was taken up with MEPCO and a hearing was held on May 08, 2024 at NEPRA head Office, Islamabad which was attended by both parties where in the matter was discussed in detail. Prior to hearing, MEPCO via letter dated May 02, 2024 apprised that

the Complainant's application for consolidation of tube wells' load was approved through an 11kV dedicated feeder in order to meet the requirement of Complainant i.e. one point supply, however, under B3 tariff considering usage of the industrial equipment i.e. center pivot at the site while also keeping in line with relevant clauses of the Consumer Service Manual (CSM). In addition, MEPCO submitted that the construction work has already been undertaken by MEPCO after floating all terms and conditions to the Complainant including change of tariff & after payment of the demand notice. As a way to further analyze the matter, another hearing was held on August 05, 2024 at same venue & the matter was deliberated upon in attendance of both the parties. During the hearing, the Complainant submitted that the purpose of getting independent feeder was to obtain uninterrupted electricity supply. A site inspection was also conducted by NEPRA on October 1, 2024 in presence of both the parties. During the site inspection, it was revealed that various tube-well connections were installed at site beside domestic connection. Moreover, a building was found under construction to be used as office. Moreover, cow sheds were also found under construction. A fish pond was also found at site.

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

- (i) The Complainant initially approached MEPCO for the consolidation of load of individually sanctioned 6 Nos. of agricultural connections located at Chah Jam Wala, Rangpur, Kot Addu, District Muzaffargarh into ultimate load of 579 kW vide an application number 648-B3 dated March 31, 2023. In response, MEPCO approved application on technical basis & issued the work order dated August 28, 2023 for consolidation of existing load through an 11 kV dedicated feeder in terms of one point supply as desired by the Complainant and changed the tariff into industrial not sought by the Complainant. However, demand notice was issued by MEPCO and the same was subsequently paid by the Complainant ensuing construction of the feeder etc. Later, the Complainant again approached MEPCO for the extension of load from 579 to 4500 kW which is under process with MEPCO. The Complainant has disputed the change of tariff from D to industrial on the pretext that the consolidated/extended load shall only be used for agricultural purposes.
- (ii) Perusal of documentary record submitted by the Complainant and MEPCO divulges that the tentative land has been conceived for the purpose of agriculture i.e. pivot type cultivation as also concurred by MEPCO and lacks intent & motivation of the Complainant for the same to be used for some industrial premises. According to the approved Tariff Terms and Conditions, industrial supply means the supply for bona fide industrial purposes in factories including the supply required for offices inside the premise for normal working of the industry. For the purposes of the application of this tariff, an industry means a bona fide undertaking or established engaged in manufacturing, value addition and/or processing of goods. Moreover, the industrial tariff is applicable for poultry farms, fish hatcheries, fish farms, fish nurseries, breeding farms and software houses. Taking cognizance of fact that the Complainant's current agricultural practice involves some degree of electric machinery i.e. pumps, center pivot etc. being used only for the agricultural purpose. However, the same certainly does not conform to the application of industrial tariff against usage of such machinery on agricultural land i.e. not a bona fide industry by any definition.
- (iii) The definition of agricultural supply as envisaged in the approved Tariff Terms and Conditions provides that the agricultural supply means the supply for lift irrigation pumps and/or supply for pumps installed on tube wells intended solely for the purpose of irrigation and reclamation of agricultural land and

forests and include supply for lighting of tube well chamber. Coinciding with the above, the relevant land is being irrigated by tube wells and pivot type cultivation from where it can be established that the equipment's usage is agricultural in its nature. Hence, the Complainant cannot be levied with the industrial tariff in the instant matter.

- (iv) According to the Clause 2.6 (viii) of Consumer Service Manual (CSM), any agricultural connection having load of above 8 kW shall be provided connection through dedicated transformer which implies that the electricity supply for Complainant's land must involve dedicated transformers.
- (v) The existing and prospective connections are of different natures. Therefore, applying industrial tariff to all the connections is unjustified.
- (vi) The Consumer Service Manual (CSM) provides that if any applicant opts for installation of dedicated system instead of obtaining connection from a Common Distribution System, the same shall be provided on cost deposit basis.

5. Foregoing in view, the load at site is of mixed nature. At present, six tube wells under agriculture tariff and one connection under domestic tariff are existing. Further, the site inspection reveal that the Complainant intend to obtain different nature of connections i.e. commercial, domestic, industrial (fish farms) etc. Therefore, MEPCO may provide relevant tariff category connections from the independent feeder as and when applications are submitted by the Complainant. Moreover, the energy meter installed at the grid station shall be used as check meter to know about the line losses of the independent feeder to ensure the same are within permissible limit. Further, MEPCO may carry out random site checking to avoid misuse of tariff. Compliance report be submitted within thirty (30) days.


(Lashkar Khan Qambrani)

Member, Complaints Resolution Committee/
Director (CAD)


(Moqem-ul-Hassan)

Member, Complaints Resolution Committee/
Assistant Legal Advisor (CAD)


(Naweed Hani Shaikh)

Convener, Complaints Resolution Committee/
Director General (CAD)

Islamabad, October 25, 2024