



National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

Consumer Affairs Department, NEPRA TOWER Attaturk Avenue (East) Sector G-5/1, Islamabad. Ph:051-2013200, Fax: 051-2600021

Consumer Affairs Department

TCD.03/1296-2025 March 27, 2025

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 C/O UMAIR-UL-HASSAN UNDER SECTION 39 OF THE REGULATION
OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC
POWER ACT, 1997 AGAINST MEPCO REGARDING ISSUANCE OF
ADDITIONAL DEMAND NOTICE.
MEPCO-NHQ-46467-11-24

Please find enclosed herewith the decision of NEPRA Complaints Resolution Committee (CRC), dated March 27, 2025, regarding the subject matter for necessary action.

Encl: As above

Copy to:

 C.E/ Customer Services Director, Multan Electric Power Company (MEPCO), MEPCO Complex, Wapda Colony, Khanewal Road, <u>Multan</u>

2. Mr. Raheel Azhar, Additional Director, NEPRA Regional Office, 39-First Floor, Orient Mall, Khanewal Road, Multan.

For follow-up, please

- Executive Engineer, Hasil Pur Division, Multan Electric Power Company (MEPCO), Vehari Road, Purana Hasil Pur, Hasil Pur, Bhawalpur.
- Mr. Muhammad Ajmal, C/O Umair-ul-Hassan, Abdul Majeed & Sons, Ghallah Mandi, Hasil Pur, District Bhawalpur. 0300-8698843

(Muhammad Bilal)
Additional Director (CAD)

MEPRA

Islamabad

(CAD)



BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

Complaint No. MEPCO-NHQ-46467-11-24

Mr. Muhammad Ajmal, C/O Umair-ul-Hassan, Abdul Majeed & Sons, Ghallah Mandi, Hasil Pur,District Bhawal Pur. Cell# 0300-8698843. Complainant

VERSUS

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

...... Respondent

Khanewal Road, Multan

Date of Hearing: February 14, 2025

On behalf of:

Complainant: Mr. Muhammad Ajmal, C/O Umair-ul-Hassan

Respondent: Engr. Fahad, XEN, Hasil Pur, (MEPCO)

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD AJMAL C/O UMAIR-UL-HASSAN UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST MEPCO REGARDING ISSUANCE OF ADDITIONAL DEMAND NOTICE

DECISION

This decision shall dispose of the complaint filed by Mr. Muhammad Ajmal, C/O Umair-ul-Hassan (hereinafter referred to as the "Complainant") against Multan Electric Power Company Limited (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 applied for an agriculture connection on September 21, 2021, vide application number 15452009338. In response, MEPCO issued a demand notice of Rs. 4,34,960 along with a security fee of Rs. 15,000 which were paid on September 27, 2021. Later on, the complainant was asked to deposit an additional demand notice of Rs. 300,490. The complainant paid the additional demand notice out of fear of crop loss. The connection was eventually installed on September 5, 2022. The complainant requested a refund of the additional amount of Rs. 300,490.
- 3. The matter was taken up with MEPCO for submission of para-wise comments/report. In response, MEPCO submitted that the complainant paid demand notice of Rs. 4,34,960 along with a security fee of Rs. 15,000 on September 27, 2021 against his application dated September 21, 2021. MEPCO further added that before the allocation of material, rates were revised on September 30, 2021. Therefore, MEPCO issued an additional demand notice for recovery of difference of cost of material as per new price bulletin w.e.f. October 01, 2021, to the complainant amounting Rs. 300490/-.
- 4. In order to probe further into the matter, a hearing was held at NEPRA Head Office, Islamabad which was attended by representative of MEPCO who advanced his arguments based on their earlier submissions.

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of both the parties and applicable law. The following has been concluded:

- The complainant submitted an application 15452009338 for an agricultural new connection of 19 kW (Tariff Category: D-2b(50)T) on September 21, 2021. MEPCO issued the corresponding demand notice of Rs. 4,34,960 along with a security fee of Rs. 15,000 on September 24, 2021. The complainant paid the aforementioned amount on September 27, 2021. The rates of material were revised w.e.f. October 01, 2021, therefore, in order to recover the difference of capital cost, an additional demand notice amounting to Rs. 3,00,490 was issued to the Complainant for payment on May 28, 2022. The complainant paid the same on June 02, 2022. Accordingly, the connection was installed on September 05, 2022. Now the Complainant has requested for refund of the already paid demand notice.
- According to time frame for new connections given in NEPRA ii. Performance Standards (Distribution) Rules 2005 read with Consumer Service Manual (CSM) DISCOs are required to provide electricity connection for load above 15 kW but not exceeding 70kW within thirtyfour (34) days after payment of demand notice. The first demand notice was paid on September 27, 2021, therefore, according to the provision of CSM; connection was to be installed by October 31, 2021.
- MEPCO failed to comply with the timeline of energization of connection iii. and issued an additional demand notice of Rs. 3,00,490 on May 28, 2022. Clause 2.4.6 of CSM provides that "If escalation in cost of material takes place within the time period required for installation of connection / electrification, as the case may be 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 take place after the lapse of time period given for installation of connection."
- The Complainant is liable to pay the cost escalation of material if ív. occurred during thirty-four (34) days of payment of first demand notice and not liable for escalation cost if occurred after the prescribed time frame. In this case, the demand notice was paid on September 27, 2021, therefore, the Complainant is liable for payment on account of escalation of material because revision of rates was occurred w.e.f. October 01, 2021 which is within thirty-four (34) days of payment of first demand notice. In view of the said, additional demand notice amounting to Rs. Rs. 3,00,490 on account of escalated rates of materials is justified.
- It is worth-while to mention that the complainant submitted the v. complaint to NEPRA on October 29, 2024. According to clause 2 of NEPRA Complaint Handling & Dispute Resolution (Procedure), 2015, complaint must have been filed within one year from the accrual of cause of action (issuance of additional demand notice dated May 20, 2022). In view of the said, the complaint is time barred as well.

Foregoing in view, it is concluded that the additional demand notice issued by MEPCO is justified. The Complaint is disposed of in the said terms.

(Lashkar Khan Qambrani)

(Muhammad Irfan Ul Hag)

Member, Complaints Resolution Committee/ Member, Complaints Resolution Committee /

Assistant Legal Advisor (CAD)

Islamabad

Director (CAD)

(Naweed Hahi Shaikh)

Convener, Complaints Resolution Committee Director General CAPLERA

Islamabad, March \mathcal{J} , 2025

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