



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**

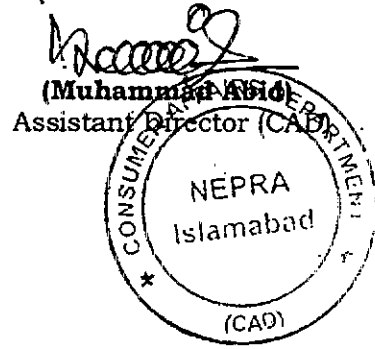
TCD 06/ 955 -2025
March 05, 2025

Chief Executive Officer, MEPCO,
MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan.

Subject: **DECISION IN THE MATTER OF ORDER DATED 10.10.2024 IN WRIT
PETITION NO. 17524/2022: MR. JAVED AHMAD VS MEPCO, PASSED BY
THE HONORABLE LAHORE HIGH COURT, MULTAN BENCH, MULTAN.
MEPCO-NHQ-47050-11-24**

Please find enclosed herewith the decision of NEPRA Complaints Resolution Committee (CRC) dated March 5, 2025, regarding the subject matter for necessary action.

Encl: As above



Copy: -

1. C.E/ Customer Services Director, MEPCO,
MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan.
2. Mr. Raheel Azhar, Additional Director,
NEPRA Regional Office, 39-First Floor,
Orient Mall, Khanewal Road, Multan.
3. Mr. Javed Ahmad S/o Rasheed Ahmad,
Fareed Street, Rajput Colony, Ward No. 10,
Mohallah Gangay Wala, Tehsil & District Lodhran,
0300-0028354



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No. MEPCO-NHQ-47050-11-24

Mr. Javed Ahmad

..... **Complainant**

S/o Rasheed Ahmad,
Fareed Street, Rajpoot Colony,
Ward No. 10, Mohallah Gangay Wala,
Tehsil & District Lodhran.
0300-0028354

VERSUS

Multan Electric Power Company (MEPCO)

..... **Respondent**

MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan.

Date of Hearing: December 09, 2024

**On behalf of
Complainant:**

Mr. Muhammad Ahsan Javaid

Respondent:

- (1) Mr. Farhan Shabbir Malik, PD (Construction), MEPCO
- (2) Mr. Subhan Ali Soomro, XEN (Construction), MEPCO
- (3) Mr. Waqas Zaheer Gujjar, Advocate
- (4) Engr Ahsan Niaz, SDO MEPCO

SUBJECT: DECISION IN THE MATTER OF ORDER DATED 10.10.2024 IN WRIT PETITION NO. 17524/2022: MR. JAVED AHMAD VS. MEPCO, PASSED BY THE HONORABLE LAHORE HIGH COURT MULTAN BENCH, MULTAN

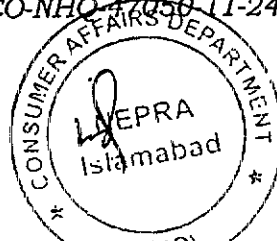
DECISION

In pursuance of the Orders passed by the Honorable Lahore High Court, Multan Bench in the Writ Petition No. 17524/2022; this decision shall dispose of the representation/ complaint of Mr. Javed Ahmed (hereinafter referred to as the "Complainant" or the "Petitioner") 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").

3. The Complainant in his petition submitted that the Complainant is the owner of the property measuring 40 Kanal situated at Chak No.97/ M, in Khewat No.87/ 83, Khatooni No.269, Bahawalpur Road, Tehsil & District Lodhran. He applied for establishing of Private Housing Colony in the name and style of Hussain Villas in the said Chak No. 97/ M, Tehsil and District Lodhran. The Complainant after getting approval from concerned civic agency, applied to MEPCO for external electrification of the society. MEPCO issued demand notice dated October 04, 2019 amounting to Rs. 26,37,680/- which was paid in full by the Complainant on November 07, 2019. MEPCO installed material partially and issued an additional/revised demand notice amounting to Rs. 16,17,617/- for payment for remaining

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NEPRA CRC Decision: Javed Ahmad vs MEPCO (MEPCO-NHQ-47050-11-24)



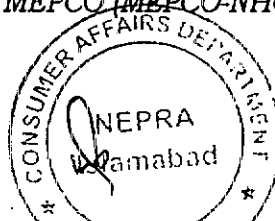
material. The Complainant further submitted that as per relevant provisions of Consumer Service Manual (CSM) once Demand Notice is paid in full no further charges/ demand notices can be raised against the Complainant on account of escalation of cost of material. The Petitioner further submitted that according to relevant provisions of Consumer Service Manual (CSM) electrification work of the society should have been completed within 496-days and if DISCO does not take the required action within stipulated time, the distribution company shall have to give reasons for each day delay.

4. The matter was taken up with MEPCO for submission of report, however, MEPCO did not submit reply. In order to arrive at an informed decision, hearings were held at NEPRA Head Office Islamabad and at NEPRA Regional Office Multan which were attended by both the parties (MEPCO & the Complainant). During the hearing, the issue was discussed in detail wherein the parties advanced their arguments. During the hearings the Complainant alleged that MEPCO authorities installed 23 items out of 36 items whereas the remaining 13 items were not provided. In response MEPCO submitted that 21 items (HT/LT Poles, Anti conductor and allied material) were allocated in July 2021 and October 2021, therefore, allocated material was drawn and installed at site during the month of March 2022. MEPCO further apprised that the Complainant visited PD (Construction) office on February 28, 2022 and filed written request along with Affidavit to issue revised demand notice.

5. The Revised demand notice amounting to Rs. 16,17,617/- dated July 18, 2022 was issued on new rates for the remaining material (transformers, D fuse, etc.) and no cost for already drawn material was included in the additional demand notice. The record reveals that the Complainant approached Honorable Lahore High Court, Multan Bench, regarding delay in execution of electrification of work of the society vide W.P. No. 9365 of 2022 whereby the court vide order dated June 15, 2022 directed CEO MEPCO to hear the case and decide the matter within thirty (30) days. Accordingly, after hearing the Complainant, CEO MEPCO vide letter dated October 06, 2022 advised the Complainant for payment of the revised demand notice amounting to Rs. 1,617,617/- issued on account of escalation of rates of material. No evidence were provided by the Complainant that he approached MEPCO during the period from payment of Demand Notice till June 2022.

5. 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:

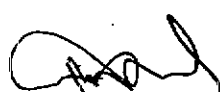
- (i) The Complainant approached MEPCO for external electrification of a Private Housing Colony in the name and style of Hussain Villas in the said Chak No. 97/ M, Tehsil and District Lodhran having area of 40 Kanal and ultimate load of 329.4 kW.
- (ii) Subsequently, MEPCO approved the application and issued a Demand Notice amounting to Rs. 26,37,680/- vide letter dated October 04, 2019 which was paid in full by the complainant November 07, 2019. MEPCO issued the said demand notice on the basis of rates as published by MEPCO in price bulletin applicable w.e.f. August, 2019.
- (iii) MEPCO did not execute the work on the plea of non-availability of material in store, however, no notice or NOC was issued to the Complainant in accordance with Clause-2.7.1 of Consumer Service Manual (CSM) which envisages that in case of shortage or non-availability of material, DISCO shall ask the sponsor/applicant to procure required material as per the specifications of DISCO at its own from the approved vendors of DISCO. In the instant case, the Complainant paid the demand notice in full on November 07, 2019 and ultimate load of the society is 329.4 kW. According to time frame given in NEPRA Performance Standards (Distribution) Rules - 2005 read with Consumer Service Manual (CSM) work for loads above 70 kW but not exceeding 500 kW; should have been completed within 46-days of payment of demand notice, therefore, MEPCO should have completed the work upto December 23, 2019, however, MEPCO issued a revised demand notice on July 18, 2022 amounting to Rs. 16,17,617/- as per the rates applicable vide price




of required date of completion of work as specified in the applicable documents.

- (iv) Moreover, according to the Clause 2.4.6 of Consumer Service Manual (CSM), once demand notice is issued by DISCO and paid by the applicant in full, no further charges/demand notice can be raised against the applicant on account of escalation of rates of material. However, NEPRA Performance Standards (Distribution) Rules – 2005 and Consumer Service Manual (CSM) provide certain time limit for provision of connection. MEPCO has based its understanding on the basis of terms & conditions conveyed by MEPCO vide first demand notice dated October 04, 2019 which provides that *"The sponsor shall deposit Additional Amount due to escalation of material rates or any other pointed out at the belated stage"*, hence, the above condition is in contradiction of with the provisions of ibid rules and Consumer Service Manual (CSM).
- (v) The sponsor is liable to pay the cost of escalation of material if occurred during forty six (46) days of payment of 1st demand notice and not liable for escalation of cost if occurred after the prescribed time frame. In this case, the demand notice was paid on November 07, 2019, therefore, the sponsor is liable for payment on account of escalation of material upto December 23, 2019. In view of the said, penalizing the Complainant through additional/revised demand notice on account of mismanagement on part of MEPCO officials is unwarranted and illegal.
- (vi) It is clear that MEPCO failed to carryout electrification work within stipulated time period i.e. forty six (46) days of payment of demand notice in full. If there was any shortage/non-availability of material, MEPCO should have asked sponsor to purchase material at its own from approved vendors of MEPCO. Moreover, MEPCO can only charge difference of cost of material if occurred within forty six (46) days of payment of demand notice i.e. upto December 23, 2019.

6. Foregoing in view, MEPCO is directed to withdraw the revised/additional demand notice amounting to Rs. 16,17,617/- standing in violation of the relevant provisions of NEPRA Performance Standards (Distribution) Rules – 2005 and Consumer Service Manual (CSM). MEPCO is further directed to complete the electrification work of the society i.e. Hussain Villas located in Chak No. 97/ M, Tehsil & District Lodhran against the already paid demand notice subject to completion of all codal formalities and charging of difference of cost of material if escalation occurred within forty six (46) days of payment of demand notice i.e. upto December 23, 2019. Further proceedings in the matter are being closed on above terms.


(Lashkar Khan Qambrani)

Member, Complaints Resolution Committee/
no. Director (Consumer Affairs)


(Muhammad Irfan ul Haq)

Member, Complaints Resolution Committee/
Assistant Legal Advisor


(Naweed Illahi Shaikh)

Convener, Complaints Resolution Committee/
Director General (Consumer Affairs)

Islamabad, March 05, 2025

