

National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

NEPRA Head Office Attaturk Avenue (East) Sector G-5/1, Islamabad. Ph:051-2013200, Fax: 051-2600021

Consumer Affairs Department

TCD.05/572-2025 February 03, 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 M/S TATA TEXTILE
MILLS LIMITED THROUGH THEIR LEGAL COUNSEL MALIK BASHIR
AHMAD KHALID ADVOCATE HIGH COURT, UNDER SECTION 39 OF THE
REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF
ELECTRIC POWER ACT, 1997, AGAINST MEPCO REGARDING DETECTION
BILL (A/C# 27 15711 13467018).
MEPCO-NHQ-25517-06-23

Please find enclosed herewith the decision of the NEPRA Complaints Resolution Committee (CRC), dated February 03, 2025 regarding the subject matter for further necessary action.

Encl: As above

(Sardar Muhammad Yahya Khan)

Director (CAD)

Copy: -

- C.E/ Customer Services Director, Multan Electric Power Company (MEPCO), MEPCO Complex, WAPDA Colony, Khanewal Road, Multan.
- Executive Engineer/ XEN (Op.), Muzaffargarh Division, Multan Electric Power Company (MEPCO), 132 KV Grid Station, Zafar Colony, Muzaffargarh.
- 3. M/s Tata Textile Mills Limited,
 C/o Maiik Bachir Ahmad Khalid Advocate High Court,
 Office No. 427 4th Floor CM Centre, 1-Mozang Road,
 Lahore.
 Email: khalidlaw456@gmail.com
 0323-8420418.



NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

Complaint No. MEPCO-NHQ-25517-06-23

M/s Tata Textile Mills Limited,
C/o Malik Bashir Ahmed Khalid Advocate High Court,
Office No. 42, 4th Floor CM Center,
1-Mozang Road, Lahore.

Versus

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

Date of Hearing(s): November 22, 2023

December 14, 2023 March 7, 2024 August 22, 2024

On behalf of

Complainant:

Major (Ret.) Tariq Masood

Respondent:

Mr. Muhammad Tafseer Abbas, XEN

Subject:

DECISION IN THE MATTER OF COMPLAINT FILED BY M/S TATA TEXTILE MILLS LIMITED THROUGH LEGAL COUNSEL MALIK BASHIR AHMAD KHALID ADVOCATE HIGH COURT, UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST MEPCO REGARDING DETECTION BILL (A/C# 27 15711 13467018)

DECISION

This decision shall dispose of the complaint filed by M/s Tata Textile Mills Limited through legal counsel Malik Bashir Ahmed Khan Advocate (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 brief facts of the case are that Honorable Lahore High Court, Multan Bench vide order dated May 24, 2023 passed in Writ Petition No. 10892/2012 directed the Complainant to file a Complaint before NEPRA. Accordingly, the Complainant filed a complaint before NEPRA and apprised that MEPCO had charged a detection bill amounting to Rs. 4,581,878/- in the month of July 2012 as feeder losses charges. The Complainant further submitted that the request for extension of load from 1250kW to 4945kW of the connection was approved in August 2008 but a special condition was included for execution of work that till the completion of 132kV Khan Pur Baga Sher Grid Station the sanctioned load will be fed from 11kV independent TATA Feeder and since the conductors installed at TATA Feeder were ACSR "Dog" conductors, therefore, power loss beyond permissible limit

Page 1 | 3

CRC Decision: M/s Tata Textile Mills Limited vs MEPECO (MEPCO-NHQ-25517-06-23)

- of 3.5% would be charged from the consumer. MEPCO had charged feeder losses based on the above mentioned clause but failed to provide any details of feeder losses for verification. The Complainant further submitted that MEPCO Planning Department had designed a new single circuit "Osprey" conductor to be coupled with existing "Dog" conductor to reduce feeder losses and in this regard an amount of Rs. 14,894,028/- was paid by the Complainant to MEPCO in September 2010 but despite lapse of considerable time the required work was not completed due to which the Complainant was being burdened to pay heavy amounts in lieu of feeder loss charges. Moreover, the Complainant claimed that MEPCO cannot recover feeder losses for unlimited period. The Complainant requested to issue orders to MEPCO to withdraw the detection bill amounting to Rs. 4,581,878/- charged against feeder losses.
- 3. The subject matter was taken up with MEPCO, however, MEPCO failed to submit the required report. In order to finalize the matter, hearing were held at NEPRA Head Office Islamabad which were attended by representatives of MEPCO only and complaint was dismissed for non-prosecution of case. Subsequently, the Complainant requested to restore his complaint and accordingly hearings were held at NEPRA Head Office, Islamabad which were attended by both the parties i.e. MEPCO and the Complainant wherein the case was discussed in detail. During the hearing, MEPCO submitted that the Complainant was obligated to pay for any power losses beyond the prescribed limit of 3.5% and an undertaking on a non-judicial paper had been obtained from the Complainant before execution of work. Furthermore, the consumer's sanctioned load was 4945kW but during the months from January 2012 to July 2012 the maximum demand indicator (MDI) recorded for the consumer exceeded the sanctioned load by more than 400kW which comes under purview of illegal extension of load. A detection bill of 530,542 kWh units was charged to the consumer amounting to Rs. 4,581,878/- on account of feeder losses beyond 3% for the period from July 2011 to June 2012.
- 4. 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 is a consumer of MEPCO having a connection with a sanctioned load of 4945kW under B-3 tariff against reference No. 30-15711-1346701. MEPCO had charged a detection bill amounting to Rs. 4,581,878/for 530542 kWh units in July 2012 against feeder losses beyond 3% for the period from July 2011 to June 2012. The Complainant filed a Writ Petition No. 10892/2012 before Lahore High Court, Multan. The court vide order dated May 24, 2023 disposed of the petition and forwarded the case to NEPRA for a decision in accordance with applicable law, when and policies.
 - (ii) The load of the Complainant was extended by MEPCO vide letter dated August 05, 2008 from 1250kW to 4945kW with a special condition that till completion of 132kV Khan Pur Baga Sher Grid Station the sanctioned load of the Complainant will be fed from 11kV independent TATA Feeder and since the conductors installed at TATA Feeder were ACSR "Dog" conductors, therefore, power loss beyond 3.5% were to be charged from the Complainant. However, MEPCO had charged detection bill for feeder losses beyond 3% in contradiction to the special condition as agreed between the parties i.e. MEPCO and the Complainant.

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(iii) MEPCO submitted that the reason behind the difference of units was that the Complainant had illegally extended their sanctioned load which had resulted in extra line losses to MEPCO. Consumer Service Manual (CSM) does not provide for charging of any penalty or detection bill for extension of load beyond the sanctioned load. According to Clause 3.2.10 of Consumer Service Manual (CSM) "if a consumer extends the existing load beyond the sanctioned load, a notice shall be issued to the consumer to apply for extension of load. The

consumer shall apply for extension of load within fifteen days of the receipt of the notice. DISCO shall disconnect the power supply if the consumer fails to apply for extension of load and completes other formalities". MEPCO failed to provide any evidence that notices for extension of load were ever served to the Complainant, however, appraisal of record reveals that of load of the Complainant was exceeded beyond the sanctioned load during the disputed period.

- (iv) There was an agreement between the parties as per which MEPCO could charge feeder losses beyond 3.5%, however, in violation of the terms and conditions of the said agreement, MEPCO raised the losses above 3%.
- 5. Foregoing in view, MEPCO is directed to revise the detection bill charged to the Complainant on the basis of feeder losses as mutually agreed beyond 3.5% instead of 3% for the period from July 2011 to June 2012. Further proceedings in the matter are being closed in above terms.

(Lashkar Khan Qambrani)

(Muhammad Irfan Ul Haq)

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Member Complaints Resolution Committee/ Member Complaints Resolution Committee

Director (CAD) /Assistant Legal Advisor

(Naweed Illahi Shaikh)

Convener Complaints Resolution Committee

Director General (CAD)

Islamabad, February 03, 2025