National Electric Power Regulatory Authority ISLAMIC REPUBLIC OF PAKISTAN NEPRA Head Office N 1114 8 Ataturk Avenue (East) Sector G-5/1, Islamabad. Ph:051-2013200, Fax: 051-2600021 19.781 **Consumer Affairs** 1410 Department TCD.01/ 1372 -2025 Ĩ, 4 April 14, 2025 Chief Executive Officer, PESCO, WAPDA House, Sakhi Chashma Shami Road, Peshawar. ٦, Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. SHER SHAH S/O FAROOQ SHAH THROUGH COUNSEL MR. HASSAN-U.K AFRIDI, ADVOCATE برية بينيمية متية SUPREME COURT, UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST PESCO REGARDING LOADSHEDDING. PESCO-NHQ-33674-01-24 1, 104 Please find enclosed herewith the decision of NEPRA Complaints Resolution Committee (CRC) dated April 14, 2025, regarding the subject matter for necessary action. Encl: As above 2 (Muhammad Sec. 1 Assistant Director (CAD) NEPRA 00 Copy to: Islamabad 1) Chief Commercial Officer, PESCO, WAPDA House, Sakhi Chashma Shami Road, (CAD) Peshawar. 2) Incharge Complaint Cell, PESCO, WAPDA House, Sakhi Chashma Shami Road, Peshawar. 3) Mr. Hassan-U.K Afridi, Advocate Supreme Court, <u>.</u> .? District Courts, Kohat. an in 0300-9151963 4) Mr. Sher Shah S/o Faroog Shah, Pir Khel, Jangle Khel, Kohat. 0345-91121115

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# <u>BEFORE THE</u> NATIONAL ELECTRIC POWER REGULATORY AUTHORITY 4. (NEPRA)

### Complaint No. PESCO-NHQ-33674-01-24

..... Complainant

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Respondent

**Mr. Sher Shah** S/o Mr. Farooq Shah Through Mr. Irfan Afridi Pir Khel, Jnagle Khel, Kohat Cell: 0345-9112115

#### VERSUS

**Peshawar Electric Supply Company (PESCO)** WAPDA House, Sakhi Chashma Shami Road, Peshawar

Date of Hearing: July 8, 2024

On behalf of:

Complainant: Mr. Irfan Afridi (Legal Councel)

**Respondent**: Mr. Adnan Farid, Addl. XEN (Operations), Kohat, PESCO Mr. Ihsanullah, SDO (Operations), Lachi, PESCO

## Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. SHER SHAH S/O FAROOQ SHAH UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT. 1997 AGAINST PESCO REGARDING LOADSHEDDING.

### DECISION

This decision shall dispose of the complaint filed by Mr. Sher Shah (hereinafter referred to as the 'Complainant' or 'Petitioner') against Peshawar Electric Supply Company Limited (hereinafter referred to as the "Respondent" or "PESCO"), under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (hereinafter referred to as the "NEPRA Act").

2. Brief facts of the case are that NEPRA received a complaint wherein the dispute raised by the Complainant was about 16-hour load shedding on the OTS feeder in the Kohat (Rural) Division on a discriminatory basis. The Complainant requested PESCO to ensure uninterrupted electricity supply and to stop unauthorized load shedding on the OTS feeder. Upon PESCO's failure to respond, the Complainant subsequently filed a Writ Petition No. 2255-P/2021 before the Peshawar High Court, at Peshawar. The honourable High Court disposed of the said Writ Petition on 16-12-2023 and advised the Complainant to approach NEPRA for his grievance. Accordingly, the Complainant requested NEPRA to intervene and direct PESCO to stop discriminatory load shedding practices.

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In order to proceed further, the matter was taken with PESCO and a hearing 3. was held on July 8, 2024, at the NEPRA Head Office Islamabad, which was attended by representatives of both parties (PESCO and the Complainant). During the proceedings, a comprehensive discussion took place whereby PESCO's representatives were instructed to furnish evidence to establish that PESCO has made efforts for elimination of theft of electricity i.e. in the form of a First Information Report (FIR), detection bills and the Aggregate Technical and Commercial (AT&C) Policy. In response, PESCO submitted that 127 FIRs had been filed at the Jungle Khel, Kohat, Police Station against the defaulters. PESCO also provided the AT&C loss policy which categorizes the OTS feeder under Category VI, warranting a load shedding duration of 16 hours. Since 76.78% losses were recorded on the aforementioned feeder, therefore, as per AT&C Loss Policy 16 hours of load shedding was carried out. Furthermore, PESCO reported that a joint operation, in collaboration with the District Commissioner of Kohat and the operation team, had been initiated to address illegal connections and tampered meters.

4. The case has been examined in detail based on the available record, arguments presented during the hearing, and applicable law. The following observations are made:

- (i) The Complainant is a domestic consumer of PESCO and has been receiving electricity supply from the OTS feeder since his connection was established, as per company records. He regularly pays his electricity bill on a monthly basis.
- (ii) The Complainant lodged a complaint against PESCO regarding discriminatory 16-hour load shedding on the OTS feeder in the Kohat (Rural) Division. However, PESCO is of the view that load shedding is being carried out on the instructions of Ministry of Energy (Power Division).
- (iii) As per NEPRA laws, a distribution company is obligated to ensure provision of uninterrupted, reliable, and safe electric power supply to its consumers. Specifically, Sections 21 and 23E of the NEPRA Act clearly impose a statutory obligation on the license holder to provide electric power supply to all its consumers without discrimination. This entails a commitment to:
  - a. Provide continuous and uninterrupted electric power supply, barring technical faults or force majeure events.
  - b. Ensure reliable and consistent electric power supply, meeting prescribed standards and benchmarks.
  - c. Guarantee the safety of electric power supply by adhering to established safety protocols.
  - d. Eliminate discriminatory practices in power supply and ensure equal treatment of all consumers, irrespective of category or location.
- (iv) Section 23F(2)(b) of the NEPRA Act, 1997 (to be read with successive amendments) stipulates that all licensees shall be responsible to make sales of electric power within its territory on a non-discriminatory basis to all the consumers who meet the eligibility criteria laid down by the Authority. Additionally, NEPRA Licensing (Electric Power Supplier) Regulations, 2022 imposes an obligation on electric power supplier/ licensee to provide safe, secure, reliable and efficient electric power supply on a non-discriminatory basis to all persons who meet the consumer eligibility criteria.

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- (v) Pursuant to Section 21(2) (f) of the NEPRA Act; the Licensee is required to follow the performance standards laid down by the Authority for distribution and transmission of electric power, including safety. Furthermore, Rule 4(f) of NEPRA Performance Standards (Distribution) Rules, 2005, states that
  - i. A distribution company shall have plans and schedules available to shed up to 30% of its connected load at any time upon instruction from NTDC. This 30% load must be made up from separate blocks of switchable load, which can be disconnected in turn at the instruction from NTDC, A distribution company shall provide copies of these plans to NTDC.
  - ii. Wherever possible NTDC shall give distribution companies advance warning of impending need for load shedding to maintain system voltage and/or frequency in accordance with the Grid Code.
  - iii. As per the provisions of the Grid Code, NTDC shall maintain an overview and as required instruct each distribution company the quantum of load to be disconnected and the time of such disconnection. This instruction shall be given in clear, unambiguous terms and related to prepared plans.
  - iv. When instructed by NTDC, the distribution companies shall shed the load in the following order, namely:
    - a. Supply to consumers in rural areas; and residential consumers in urban areas where separate feeders exist.
    - b. Supply to consumers, other than industrial, in urban areas.
    - c. Supply to agriculture consumers where there is a dedicated power supply.
    - d. Supply to industrial consumers.
    - e. Supply to schools and hospitals.
    - f. Supply to defense and strategic installations.
  - v. A distribution company shall prepare schedules of load disconnection, which demonstrate this priority order and which rotate load disconnections within the above groups in a non-discriminatory manner. The principle of proportionality shall be kept in mind so as not to excessively burden a particular consumer class.
  - vi. Moreover, Article 2 of the Supplier License expressly mandates that the PESCO/Licensee shall comply with the Applicable Law (i.e. NEPRA Act and Applicable Documents) and shall be obligated to comply with the NEPRA Licensing (Electric Power Supplier) Regulations, 2022.
  - vii. Furthermore, provision of electricity is a Fundamental Right for all citizens under Article 9 and 14 of Constitution of Islamic Republic of Pakistan. Non supply of electricity to a citizen, tantamount to deprivation of this Fundamental Right as well as violation of Article 8 of the Constitution which says that any law, custom or usage having the force of law that is inconsistent or abridges a Fundamental Right is void and inoperable. The provision of electricity has been interpreted as Fundamental Right by the Supreme Court of Pakistan.

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5. The Authority has declared the AT&C based load shedding as illegal and has already imposed penalty on PESCO. Legal proceedings have been initiated, and a show cause notice has been served to PESCO due to failure of PESCO to eliminate load shedding. In view of the above, no further directions can be issued in the instant matter until the finalization of the aforementioned legal proceedings. However, PESCO is strictly advised to adhere relevant provisions of CSM and other enabling rules & regulations and ensure proper maintenance of its distribution network to prevent unwarranted disruptions and to promptly restore supply in case of unscheduled outages.

(Lashkar Khan Qambrani) Member, Complaints Resolution Committee/ Director (CAD)

(Muhammad Irfan-ul-Haq) Member, Complaints Resolution Committee/ Assistant Legal Advisor

vS (Naweed Illah) Shaikh AFFAI Çonin Convener, Complaints Resolution Director General (CAD)

Islamabad, April, 14 2025

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