



National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

Ataturk Avenue (East) Sector G-5/1, Islamabad.

Ph: 051-2013200, Fax: 051-2600021

**Consumer Affairs
Department**

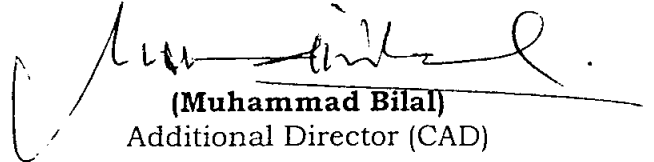
TCD.01/ 142-41 -2023
April 12, 2023

Chief Executive Officer, PESCO,
WAPDA House, Sakhi Chashma Shami Road,
Peshawar.

Subject:- **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. NAVEED HASSAN, ALLIANCE HEALTHCARE (PVT.) LTD., UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST PESCO REGARDING CORRECTION OF BILL (A/C# 30 26214 0049500). PESCO-NHQ-19889-02-23**

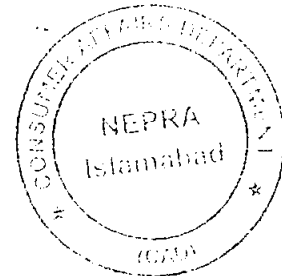
Please find enclosed herewith the decision of the NEPRA Consumer Complaints Tribunal dated April 12, 2023 regarding the subject matter for necessary action and compliance.

Encl: **As above**


(Muhammad Bilal)
Additional Director (CAD)

Copy to:

- 1) Chief Commercial Officer, PESCO,
WAPDA House, Sakhi Chashma Shami Road,
Peshawar.
- 2) Incharge Complaint Cell, PESCO,
WAPDA House, Sakhi Chashma Shami Road,
Peshawar.
- 3) Mr. Naveed Hassan, Alliance Healthcare (Pvt.) Ltd.
Sector A-3, Phase-V, Hayatabad, Peshawar.
Email: info@nwgh.pk
Ph:091-5838800





**BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)**

Complaint No. PESCO-NHQ-19889-02-23

Mr. Naveed Hassan, Alliance Health Care (Pvt.) Ltd. **Complainant**
Sector A-3, Phase-V, Hayatabad, Peshawar.

VERSUS

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

Date of Hearing: March 09, 2023

On behalf of

Complainant:

- 1) Mr. Naveed Hassan, Company Secretary, Alliance Healthcare (Pvt.) Ltd.
- 2) Mr. Muhammad Irshad, Sr. Manager Technical

Respondent:

- 1) Mr. Arif Mehmood Sadozai, CEO PESCO,
- 2) Mian Tahir Moeen, CCO, PESCO,

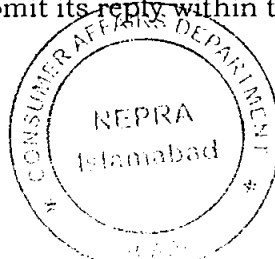
Subject:- DECISION IN THE MATTER OF COMPLAINT FILED BY MR. NAVEED HASSAN, ALLIANCE HEALTHCARE (PVT.) LTD., UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST PESCO REGARDING CORRECTION OF BILL [A/C# 30 26214 0049500].

DECISION

This decision shall dispose of the complaint filed by Mr. Naveed Hassan, Alliance Healthcare (Pvt.) Ltd. (hereinafter referred to as "the Complainant") against Peshawar Electric Supply Company (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. NEPRA received a complaint from Mr. Naveed Hassan, Alliance Healthcare (Pvt.) Ltd., on February 07, 2023 wherein the issue agitated by the Complainant was that energy meter was installed at Northwest School of Medicine Hayatabad in the year 2016 against reference No. 30 26214 0049500 and since then the bills are being paid regularly. PESCO issued a manual bill amounting to Rs. 111,977,389/- on January 24, 2023 with the plea that Multiplying Factor (MF) was wrongly applied w.e.f February 2021 to January 2023. Moreover, PESCO did not share the details for any discrepancy on part of the consumer. In order to avoid disconnection of electricity supply an amount of Rs. 33.6 Million was paid. The Complainant requested that PESCO be directed to refrain from taking any adverse action.

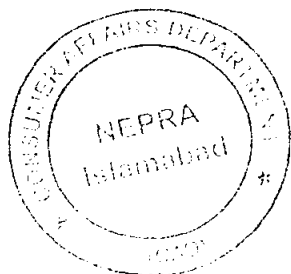
3. The subject matter was taken up with PESCO vide letter dated February 10, 2023 whereby PESCO was directed to submit its reply within ten (10) days, however,



PESCO failed to submit any response. In order to arrive at an informed decision, a hearing was held at PESCO headquarter, Peshawar on March 09, 2023 wherein both the parties participated and advanced their respective arguments. The Complainant argued that PESCO never pointed out any discrepancy in their metering equipment in past and they had been making payment of their bills regularly. PESCO issued a manual bill without any notice therefore, to avoid disconnection of electricity supply, partial payment of the disputed bill was made.

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 concluded:

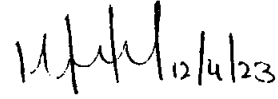
- (i) The connection of North West Hospital & Alliance Healthcare Medical College was energized on October 21, 2016 with sanctioned load of 320kW under reference No. 24-26214-0049500. CT ratio 800/5 were installed i.e. Multiplying Factor of 160. The LT ToU meter was replaced with AMR meter on January 14, 2021 by a Technical Committee. The Technical Committee erroneously mentioned CT ratio as 200/5 i.e. Multiplying Factor (MF) of 40.
- (ii) The Complainant applied for extension of load from 320kW to 480kW which was approved on August 11, 2021. A higher capacity transformer i.e. 630kVA was installed. The CTs were not changed and remained 800/5 and no such discrepancy of wrong application of MF was pointed out by the Committee.
- (iii) Subsequently upon checking by Customer Services Directorate, it was revealed that MF was being charged as 40 instead of actual MF of 160. Accordingly, PESCO issued a bill amounting to Rs. 111.977 Million on January 24, 2023 with due date as January 30, 2023 to recover its loss w.e.f. February 2021 to January 2023. The bill included an amount of Rs. 92.368 Million as detection bill on account of difference of wrong application of Multiplying Factor. The Consumer paid an amount of Rs. 29.38 Million, Rs. 6 Million and Rs. 6 Million totaling Rs. 41.38 Million.
- (iv) Clause-6.1 of Consumer Service Manual (CSM) provides mechanism of meter reading and Clause-6.2 envisages the procedure of percentage checking to ensure accuracy of meter reading. Therefore, recording of correct meter reading is the responsibility of PESCO. Clause 6.1.4 of Consumer Service Manual provides that meter readers are responsible to check irregularities/discrepancies in the metering system at the time of reading meters and report the same in the reading book/ discrepancy book or through any other appropriate method as per the practice. The concerned officer/official have to take corrective action to rectify these discrepancies, however, PESCO officials failed to point out any such discrepancy or take appropriate actions if there were any discrepancies.
- (v) The Consumer Service Manual (CSM) read with clarification issued vide letter No. NEPRA/DG(CAD)/TCD.10/17187-13 dated March 26, 2021 provides that if due to any reason the charges i.e. MDI, fixed charges, multiplying factor, power factor penalty, tariff category etc. have been skipped by DISCO due to any reason; the difference of these charges can be raised within one year for maximum period of six months, retrospectively.
- (vi). Keeping in view the above provisions of CSM, PESCO is only entitled to recover difference of multiplying factor maximum upto six (06) months i.e. PESCO should have charged the difference of Multiplying Factor (MF) from August 2022 to January 2023 for amounting to Rs. 30.208 Million, whereas PESCO has charged difference for twenty four (24) months amounting to Rs. 92.368 Million, however, during the hearing, the Complainant submitted that they are ready to pay Rs. 60 Million as difference of multiplying factor instead of Rs. 30.208 Million out of Rs. 92.368 Million.



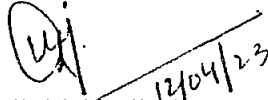
5. Foregoing in view, the Complainant has committed to make payment of Rs. 60 Million in total on account of difference of Multiplying Factor out of Rs. 92.368 Million, therefore PESCO is directed to recover an amount of Rs. 60 Million from the Complainant as difference of Multiplying Factor (MF). The payment already made by the Complainant be adjusted and the remaining amount be recovered in four (04) equal installments.



(Lashkar Khan Qambrani)
Member Consumer Complaints Tribunal
Director (CAD)



(Moqeem ul Hassan)
Member Consumer Complaints Tribunal
Assistant Legal Advisor (CAD)



(Naweed Illahi Shaikh)
Convener Consumer Complaints Tribunal/
Director General (CAD)

Islamabad, April 12, 2023

