



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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NEPRA/R/TCD-02.1/2374

April 30, 2010

Chief Executive Officer
Islamabad Electric Supply Company (IESCO),
Street 40, Sector G-7/4,
Islamabad.
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Subject: COMPLAINT OF POWER CONSULTATING ENGINEERS ON BEHALF OF METRO CASH & CARRY, ISLAMABAD AGAINST IESCO REGARDING CHANGE OF BILLING FROM THE GRID STATION TO CONSUMER PREMISES

Please find enclosed herewith the decision of Member (Consumer Affairs) in the subject matter for compliance within 30 days of the receipt of this letter.

Encl: As above

(Syed Safer Hussain)

Copy to:

Engr. Muhammad Bashir Bangash
Chief Executive – Power Consulting Engineers,
Plot No. 12, I&T Centre, Mauve Area,
IEP Building, G-8/1,
Islamabad.



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

CCR. No: 57/2009

Eng. Muhammad Bashir Bangash
(Chief Executive), Power Consulting Engineers
Consultant M/s Metro Cash & Carry Petitioner

Versus

Islamabad Electric Supply Company Limited Respondent
(IESCO)

Date of Hearing: January 28, 2010

Date of Decision: April 28, 2010

Present: Mr. Shaikat Ali Kundi (Member Consumer Affairs)

On behalf of:

Petitioner: 1. Engr. Muhammad Bashir Bangash, Chief Executive Power Consulting Engineers.
2. Mr. Muhammad Fayyaz, DM, M/s Metro Cash & Carry

Respondent: 1. Raja Saeed Ahmed, CE (P& E), IESCO
2. Mr. s. Riaz Qadeer Bukhari, M (CS), IESCO
3. Mr. Sarbuland Khan, DM (P&E), IESCO

IN THE MATTER OF:

**COMPLAINT FILED BY POWER CONSULTING ENGINEERS ON BEHALF OF
METRO CASH & CARRY, ISLAMABAD AGAINST IESCO REGARDING CHANGE OF
BILLING FROM THE GRID STATION TO CONSUMER PREMISES.**

DECISION

1. This Order shall dispose off the complaint dated 17 November 2009 by M/s Metro Cash & Carry, Islamabad (hereinafter referred to as the "Petitioner") against M/s Islamabad Electric Supply Company

(hereinafter referred to as the "Respondent") regarding the change of metering from the petitioner's premises to the Respondent's Grid Station without any notice.

2. The brief facts of the case are that the petitioner through its consultant (M/S Power Consulting Engineer) in its petition dated 17 November 2009 contended that IESCO is bent upon teasing the petitioner and now instead of billing at the Petitioner (consumer) premises changed the billing to the Grid Station without any notice. The Petitioner further contended that the petitioner (consumer) premises is about 02 KMs away from the Grid Station and under no check and control by the petitioner (Consumer), which is against the NEPRA Act, Rules and Regulations.

Accordingly, the complaint of the petitioner was referred to the Respondent (IESCO) on 24 November 2009 for its comments / report.

3. The Respondent in response to the petitioner's complaint submitted, vide its letter dated December 15, 2009 as under:

- a) That, since the temporary connection was provided from the common distribution feeder (11 kV Carriage Factory) therefore metering was to be carried out at the consumer premises. The permanent connection was given from independent feeder constructed as per approval order issued vide No. 22846-50/CEO/IESCO/M(P&E)/CFC-425 dated 7th August 2008. As per clause 9, under terms and conditions of the sanctioning order metering is to be carried out at Grid Station. After energization of the feeder, metering of the consumer was shifted on 11 kV outgoing panel installed at 132 kV Grid Station, H-11 Islamabad controlling independent feeder meant for the Complainant.
- b) That, it is not understood that it is not in the knowledge/notice of the Complainant as he remained in touch with the Respondent through correspondence, but also paid a demand notice amounting to Rs.29, 000/- on 26th May 2009.
- c) That, the metering of 11 kV dedicated feeders is made on Grid Station to restrict the use of feeder for the concerned consumer.

4. After analyzing the submission of both the parties, it was decided to hold a hearing with a view to arrive at a logical conclusion which was held on 28th January 2010 at NEPRA Head Office presided over by Member (Consumer Affairs). Both the parties appeared in the hearing before the Member (Consumer affairs) NEPRA and presented their point of view.

5. The petitioner submitted that clause 4 of the initial sanction letter dated 27 March 2008 clearly state that 11 kV metering / industrial panel shall be arranged and installed by the Respondent at the consumer premises which shall also be utilized for permanent connection at the premises. The petitioner further submitted that no where in Pakistan and the world the meter is installed at a distance of 3 to 4 KM away from the premises and that as per NEPRA Eligibility Criteria, 2003, Part II, the Dedicated Distribution System (DDS) of the consumer shall be maintained by the licensee up to the metering installation of the consumer, which comprise of the distribution system from connecting point to the interconnection point of the applicant including metering and service wire. Excessive technical losses would accrue to the Complainant if the metering is done at the Grid Station. Finally, there is a possibility of misuse of feeder through tapping in between Grid Station and the Consumer premises.

6. The Respondent submitted that the petitioner had the prior knowledge of the metering at the Grid Station and had paid the demand notice issued by the Respondent. Since the petitioner neither objected to the condition in clause 9 of the sanction order nor deposited the demand notice under protest therefore he cannot object at this stage after a period of over 15 months. It was well in his notice and he intentionally kept quiet which tantamount to his consent to this condition. The tariff determination of the Authority did not mention where the metering should be done. There is no bar that meter cannot be installed at the Grid Station. Moreover, there is no difference whether meter is installed at the Grid Station or at the premises, as the meter is out of reach of the consumer. The only issue is of reading which can be done in the presence of the representative of the Complainant. The Respondent further submitted that all the consumers of B4 category are billed at the Grid Station. With regard to the consumers of A2(c) tariff, it is nowhere written that the metering cannot be done at the Grid Station.

7. Perusal of the Consumer Eligibility Criteria, 2003 as quoted by the petitioner above provides as under, and which at the face of it has no relevance to the issue in question:

“The dedicated distribution system of the consumer shall be maintained by the licensee up to the metering installation of the consumer. Control of such a system shall be handed over to the licensee for the purpose of operation and maintenance before commencement of provision of electric power service to the consumer.”

8. The sanction letter of the Respondent dated 27th March 2008 at para 4 and 5 reads as under: