



# National Electric Power Regulatory Authority

Islamic Republic of Pakistan

2nd Floor, OPF Building, G-5/2, Islamabad

Ph : 9206500, 9207200, Fax : 9210215

E-mail: registrar@nepra.org.pk

TCD-02

M/F

76

Registrar

No. NEPRA/R/TCD.02

/2748

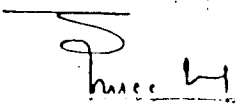
27-04-2010

Chief Executive Officer,  
Islamabad Electric Supply Company Ltd. (IESCO)  
Street 40, Sector G-7/4  
Islamabad

Subject: **Complaint of Qari Abdul Qudoos Abbasi against IESCO regarding Replacement of Damaged Transformer**

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 Safeer Hussain )

Copy to:

1. C.E/Customer Services Director  
Islamabad Electric Supply Co. Ltd.  
Street # 40, Sector G-7/4,  
Islamabad.
2. Qari Abdul Qudoos Abbasi  
Madrassa Ashraf-ul-uloom  
Near Boy Scouts Head Quarter Garden Avenue  
Islamabad.



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

↳ CCR No.45-2009

**Qari Abdul Qudoos** ..... **Petitioner**

**Versus**

**Islamabad Electric Supply Company** ..... **Respondent**

Date of Hearing: February 15, 2010

Date of Decision: April 23, 2010

Present: on behalf of:

Petitioner: Qari Abdul Qudoos

- Respondent: 1). Mr.Said Hassan, CE/Customer Services Director, IESCO  
2). Mr.Abdul Rashid Khattak, S.E. Islamabad, IESCO  
3). Mr.Muhammad Asim Ejaz, SDO(E) G-6, IESCO

**IN THE MATTER OF:**

**COMPLAINT OF QARI ABDUL QUDOOS ABBASI AGAINST IESCO REGARDING  
REPLACEMENT OF DAMAGED TRANSFORMER**

**ORDER**

**(Date of Hearing: February 15, 2010)**

1. The complainant Qari Abdul Qudoos Abbasi filed a complaint with NEPRA on October 06, 2009 against IESCO complaining that IESCO installed a 10 KVA transformer in his name on 13.02.2009 transformer in the premises of Madrassa Ashraf-Ul-Uloom near Boy Scouts Head Quarter Garden Avenue, Islamabad but after two months it started giving problems which was reported to IESCO. IESCO staff however restored electric supply temporarily on two phases. On 15.09.2009 the transformer stopped functioning during the month of "Ramazan" and the electric supply to the Madrassa got disconnected. Petitioner further stated that he informed respondent (IESCO) immediately about it, but it did not take any action on his complaint. The complainant further stated that on 17.09.2009 he made a request to the SDO (Mr. Asim Ejaz) in person for immediate restoration of electricity on the ground that the next day was "Khatam ul Quran". The said SDO (E) immediately initiated a memo addressed to the XEN requesting for expediting drawl of transformer..

2. The petitioner in his petition further states that respondent installed the transformer in February 2009 which had warranty period up to October 2008. The petitioner further states that the same transformer partially got damaged in April 2009 and fully damaged in September 2009 which was reported to respondent by the petitioner. The respondent eventually issued him a demand notice amounting to Rs.105240/- whereas it was required to be replaced by respondent without charging him any cost because respondent installed the transformer with expired warranty. The petitioner also informed that he paid demand notice for installation of 2xHT structures but respondent installed 2xHT PC poles being cheaper in price and force. The petitioner during the course of hearing in the presence of respondent staff also produced a copy of the letter dated September 17, 2009 issued by SDO G-6 and addressed to his XEN informing him that the transformer with expiry date of 10/2008 was installed at the consumer premises in the month of February 2009 (i.e after the date of expiry), which was damaged due to internal fault.

3. The petitioner has attached a copy of the said Memo No.2660 dated 17.09.2009 signed by SDO (E) G-6 Sub Division IESCO Islamabad addressed to XEN (E) Operation Division No.1 IESCO Islamabad stating besides other that the transformer was damaged in the month of April 2009 due to some internal fault and the supply was restored temporarily on two phases, and that two phase supply was again damaged on 15.09.2009, and that the matter be taken with higher ups for withdrawal of transformer, claiming its warranty as requested by the petitioner

4. On enquiry by NEPRA, Executive Engineer (E) Operation Division No.1 Islamabad of the Respondent Company vide its letter dated November 4, 2009 addressed to CE / CSD IESCO and a copy of which was endorsed to Senior Advisor (Consumer Affairs Division) reported that the transformer was damaged due to unbalanced load therefore the consumer (petitioner) was issued a demand notice amounting to Rs105, 240.00 but the payment is still awaited. NEPRA without waiting for the formal reply to come up from the respondents Headquarter and being not satisfied with the report of Executive Engineer (E) operation Division No.1 Islamabad raised certain queries like:

- a. Date of procurement / purchase of the transformer by the respondent?
- b. Warranty period of the transformer?
- c. Date of installation of transformer?
- d. Date of damage of transformer?
- e. Who is responsible for unbalancing of transformer?
- f. Can the manufacturer be held responsible for damage of transformer due to unbalancing during the warranty period?
- g. Original sanctioned estimate.

The respondent while responding to the queries reported through its letter dated December 11, 2009 signed by the Chief Engineer/ CSD IESCO as under:

- a. that the transformer was procured and purchased during the year 2007 with 02 years warranty period.
- b. That the transformer was in warranty period but it was damaged due to unbalancing of load, which was not covered under the warranty clause.
- c. That the date of installation of transformer is February 2009.
- d. That the transformer got damaged on 13 April 2009 and supply was restored on two phases on the request of the consumer because two phases of the transformer were healthy at the time of first fault. However, it was again damaged on 15 September 2009.
- e. That consumer is responsible for using and connecting unbalanced load, and that it is beyond the jurisdiction of the respondent.
- f. That manufacturer cannot be held responsible for its damage.

12

The respondent however, did not mention any thing about installation of HT PC poles instead of HT structures.

5. To find out the facts of the case, NEPRA deputed its representative along with the Electric Inspector Islamabad Region to carry out site inspection in the presence of the complainant and respondent officials. The site inspection accordingly was carried out on 29 December 2009, and the report was submitted accordingly. The report reveals that the total installed load of the consumer is 3.6 kW against the sanctioned load of 8 kW thus damage of transformer due to unbalancing load was not established. It was observed by the inspection team that the transformer with expiry date of 10/2008 was installed at site with 2 HT PC poles. It has also been reported in the report that billing was being charged to the consumer without consumption of electricity by the petitioner.

6. After going through the above submissions of both the parties and contradiction in the reports of the respondent officials and the contents of the site inspection report it was felt that hearing be conducted in the matter to arrive at a prudent decision. Accordingly, a hearing was held on February 15, 2010 at NEPRA Head Office before the Member (Consumer Affairs). Both of the parties presented their point of view as follows:

Submissions of the Petitioner

The petitioner submitted that he paid demand notice for installation of a new 10 kVA transformer in September 2008 and the transformer was installed in February 2009. During this period he contacted IESCO officials but he was informed time and again that transformers are not available. The transformer installed in February 2009 was damaged in April 2009 and as such he contacted SDO G-6 S/Div who energized the transformer on two phases. IESCO installed the transformer in February 2009 which had warranty period up to October 2008. The petitioner further submitted that the same transformer partially got damaged in April 2009 and fully damaged in September 2009 which was reported to IESCO by him. IESCO issued him a demand notice amounting to Rs.105240/- which he felt was required to be replaced by IESCO without charging him any cost because IESCO installed the transformer with expired warranty. The petitioner also informed that he paid demand notice for installation 2xHT structures but IESCO installed 2xHT PC poles being cheaper. The petitioner in the presence of IESCO staff also produced a copy of the letter dated September 17, 2009 issued by SDO G-6 and addressed to his XEN informing him that the transformer with expiry date of 10/2008 was installed at the consumer premises in the month of February 2009 (i.e. after the date of expiry). The petitioner also submitted that he paid cost of two HT structures but IESCO installed two PC poles instead. The petitioner in the end produced a copy of the current electricity bill in which IESCO has charged him units despite the fact that electricity supply in not available at the premises since September 2009.

Submissions of Respondent

The representatives of respondent stated that the transformer of the complainant was damaged due to unbalancing. Further that, the transformer was procured in 2007 with two years warranty. The transformer and meter installed at the premises are three phase but the wiring of the consumer is single phase which caused unbalancing of the transformer. They further stated that the respondent is ready to repair/energize the transformer. The representatives of respondent further informed that the warranty period mentioned in the purchase order is 24 months but the expiry date mentioned on the transformer is October 2008. As far as installation of two HT PC poles is concerned the complainant never approached the respondent and that he has to apply for the refund of the difference of cost. As regards charging of bills against the premises having no electricity supply, the same will be rectified.

65

7. The respondent representatives not satisfactorily responding to the queries raised by the presiding officer, Consumer Affairs Division Nepra officers, and the petitioner during the course of hearing when asked about the exact cause of the damage to the transformer and exact period of its warranty and expiry date, the presiding officer directed Chief Engineer /Customer Services Director of the respondent company to check the relevant documentary record, find out the facts and submit his report as soon as possible on the exact period of warranty of the transformer and its expiry date, and exact causes of the damage to the transformer.

8. Accordingly, Chief Engineer /Customer Services Director IESCO vide his letter No. 13538-41 dated February 23, 2010 has submitted his report which is reproduced as under:

“Quote

**ISLAMABAD ELECTRIC SUPPLY COMPANY**  
**HEAD OFFICE IESCO LTD ST \$ 40 G-7/4, ISLAMABAD**

No. 13538 – 41 / CE / IESCO

Dated 23 / 02 /2010

The Senior Advisor (CAD)  
Nepra Office  
House No. A-1, Street No.67  
G-6 / 4, Islamabad.

Subject: COMPLAINT FILED BY QARI ABDUL QADOOS ABBASI AGAINST IESCO REGARDING REPLACEMENT OF DAMAGED TRANSFORMERS

Ref: In continuation of this office No. 63599-600 / CEO /IESCO / CSD dated11.02.2009

- 1) T / F (PEL) was purchased vide P.O. No. 1406 dated 12.04.2007
- 2) 10 KVA T/F was installed on 13 02.2009
- 3) This T/F became defective on 13.04.2009
- 4) T/F was damaged in warranty period (Expiry on 10 / 2009)

At the first instance SDO G-6 tried to shift the responsibility of damage on consumer, instead of manufacturer. The reason was that expiry date was mentioned on the T/F body as 10/2008. After consulting record / documents, this T/F became defective within warranty period. SDO should have replaced the T/F at the manufacturer cost, but he issued demand notice to consumer which was wrong. In his report submitted to XEN Division No.1 Islamabad vide his No.2660 dated 17/04/2009 he admitted the internal defect of the T/F.

SDO G-6 / XEN (E)-I Islamabad are responsible for non-replacement of T/F within warranty period. Both the officers have also misled the Higher Offices regarding actual position of the case.

Moreover the connected load at site was also verified by representatives of your office as well as Electric Inspector. The running load at site was nominal at the time of damage (April 2009) and cannot be considered as a reason for damage.

(Signed)  
Chief Engineer / CSD  
IESCO, Islamabad.”

Unquote”

9. The version and complaint of the petitioner that he had paid demand notice for installation of 2 x HT structures but IESCO installed 2 x HT PC poles being cheaper has not been covered in this report of respondent's Chief Engineer / CSD. However, during the course of hearing when asked upon as to whether 2 x HT PC poles were erected or 2 x Steel Poles were erected the respondent officials responded that as per departmental record 2 x HT pc Poles were issued and

64

accordingly installed and neither the consumer nor the construction department of the respondent brought this to the knowledge of the department, hence the matter was not known to them.

10. From the above report of the respondent's CE / CSD and after examining the correspondence of the SDO with his XEN it reveals that:-

a) the SDO G-6/4 Sub Division had been misleading his XEN and all others relevant to this case and had put the petitioner to lot of unease and mental agony, beside putting his own seniors / company (IESCO) in an embarrassing situation when they could not appropriately answer the cross questions put forward by the presiding officer, the petitioner and the professionals of NEPRA during the course of hearing, and for submitting a misleading report dated 17.09.2009 addressed to his XEN,

b) the running load at site was nominal at the time of damage and cannot be considered as a reason for damage and that the transformer never got damaged due to unbalancing. The SDO G-6 tried to shift the responsibility of damage on to the consumer instead of manufacturer;

c) the transformer got damaged within the warranty period and should have been replaced by the SDO at the manufacturer's cost immediately but he issued a demand notice for replacement of Transformer to the consumer ;

d) SDO G-6 Sub Division is mainly responsible for non replacement of the transformer within warranty period.

11. Since the respondent has itself, after enquiry concluded by its Chief Engineer / CSD that its officials mislead the Authority, therefore nothing much remains to be further investigated. The record (purchase order dated 12 April 2007) very clearly shows that the transformer was within the warranty period when it developed the fault. Had it been checked with the record available in the head office, this issue would not have arisen. The respondent itself admitted with regard to the HT Poles that there is difference in prices between the HT structure Poles and PC poles.

12. I find it very unfortunate that the officials of the respondent not only misguided or mislead the officials of their own organization but also do not introvert while fabricating wrong and misleading record before the quasi judicial forum, thus creating embarrassment for the respondent company. This action shows how casual these officials take the proceedings before NEPRA.

13. In light of the above the respondent is directed that:

- 1) The connection of the complainant be immediately restored by installing new 10 KVA transformer of the same capacity without charging cost of the transformer to the consumer.
- 2) The excess amount paid by the complainant for installation of 2xHT structures be refunded to the consumer within a maximum period of thirty days and action initiated against the delinquent officials.
- 3) Billing made on the premises without having electricity be adjusted in the bills of the complainant and that action be taken against the Meter Reading Supervisor and Meter Reader for charging of electricity bills without confirming the consumption of electricity at the premises.
- 4) Action under the relevant rules be initiated against the officer in light of the report of the CE/CSD IESCO submitted to the Consumer Affairs Division vide its letter dated 23.02.2010.

63

14. The petitioner is directed to ensure that its premises have three phase wiring duly certified by the authorized wiring contractor / Electric Inspector as pointed out by the respondent during the course of hearing that the wiring at the petitioners premises is not according to the specifications.
15. Compliance report be submitted within 30 days of the receipt of this decision.

*Shaukat Ali Kundi*

Mr. Shaukat Ali Kundi  
Member (Consumer Affairs) 23.04.2010

Islamabad, April 23, 2010