



**National Electric Power Regulatory Authority**  
Islamic Republic of Pakistan

**Registrar**

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No. NEPRA/R/D(CAD)/TCD.05/2252-55

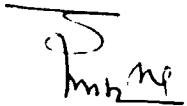
February 24, 2015

M/S Siddique Trade Centre  
72-Main boulevard, Gulberg  
Lahore

Subject: **DECISION OF THE AUTHORITY IN THE MATTER OF REVIEW MOTION FILED BY SIDDIQUE TRADE CENTRE LAHORE AGAINST THE DECISION OF NEPRA REGARDING COMPLAIN FILED BY M/S GOODI & JOYOUS AND MR. AZHAR ABBAS SHAH & OTHERS UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO & SIDDIQUE TRADE CENTRE FOR CHARGING OF HIGHER TARIFF**  
Complaint # LESCO-158/2013  
Complaint # LESCO-48/2014

Please find enclosed the decision of the Authority in the subject matter for necessary action and compliance within 30 days of receipt of the decision.

**Encl: As above**

  
(Syed Safer Hussain) 24-02 '15

Copy to:

1. Chief Executive Officer  
Lahore Electric Supply Company (LESCO),  
22-A, Queen's road, Lahore
2. M/S Goodi & Joyous  
Siddique Trade Centre, Lahore  
Through Mian Nadeem Anjum  
Advocate High Court, Lawmen Associates, 4-A, Mazang Road, Lahore
3. Mr. Azhar Abbas Shah  
LG-27, Siddique Trade Center, 72 Main Boulevard Gulberg, Lahore



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

**Complaint No. LESCO-158/2013**

**Complaint No. LESCO-48/2014**

**M/s Siddique Trade Centre**  
72-Main Boulevard, Gulberg-III  
Lahore.

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**Petitioner**

**1. M/s Goodi & Joyous**

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**Complainants**

Siddique Trade Centre, Lahore  
Through Mian Nadeem Anjum  
Advocate High Court  
Lawmen Associates, 4-A  
Mazang Road, Lahore.

**2. Mr. Azhar Abbas Shah**

I.G-27, Siddique Trade Centre  
72 Main Boulevard Gulberg, Lahore.

**Chief Executive Officer**

Lahore Electric Supply Company (LESCO)  
22-A, Queen's Road Lahore.

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**Respondent**

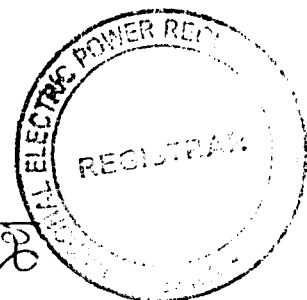
**Date of Hearing:** December 11, 2014

**Date of Decision:** January 15, 2015

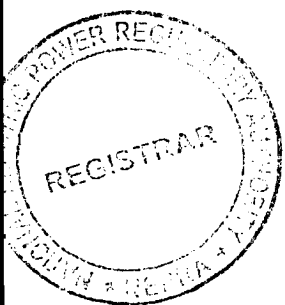
**Subject:** **DECISION OF THE AUTHORITY IN THE MATTER OF REVIEW FILED BY SIDDIQUE TRADE CENTRE LAHORE AGAINST THE DECISION OF NEPRA REGARDING COMPLAINT FILED BY M/S GOODI & JOYOUS AND MR. AZHAR ABBAS SHAH & OTHERS UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO & SIDDIQUE TRADE CENTRE FOR CHARGING OF HIGHER TARIFF**

**Decision**

1. This decision shall dispose of the review motion filed by Siddique Trade Centre (hereinafter referred to as the 'Petitioner' or 'STC') against the decision of NEPRA dated July 23, 2014 in the matter of complaints of M/s Goodi & Joyous and Mr. Azhar Abbas Shah (hereinafter referred to as the 'Complainant') filed under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.



2. The brief facts of the case are that, M/s Goodi & Joyous in its complaint dated October 30, 2013 stated that management of STC, Lahore is providing electricity to the whole centre/multi-story building from main electricity connection provided by LESCO and management has installed its own metering system to collect electricity bills from all the occupants according to their respective utilization of electricity by charging @ Rs.35.33 per unit which is higher than the rates of LESCO. The management of STC is also providing services e.g. air conditioning, sanitation, maintenance and power generator in the building in lieu of which they are charging Rs.31/- per square foot on account of service charges. The Complainant further stated that the management of STC has created monopoly and charging them at their own rates and also not allowing them to get their own electricity connections in STC. The Complainant requested that strict action be taken against the management of STC, and LESCO be directed to provide separate electricity connections to the occupants of STC.
  
3. The complaint of M/s Goodi & Joyous was taken up with LESCO for submission of parawise comments. In response, LESCO vide its letter dated November 28, 2013 reported that the complaint is against the management of STC. A likewise case is already pending in Court of Law and LESCO is concerned to the extent of new connection desired by another shopkeeper of STC, who initially approached Electric Inspector, Lahore. The Electric Inspector, Lahore decided the case in favour of the shopkeeper vide order dated March 08, 2010. LESCO further stated that the management of STC through Ms. Shazia Siddique filed review petition against the orders of Electric Inspector before the Advisory Board, Punjab and the same is still pending. STC through Ms. Shazia Siddique also filed a writ petition before the Lahore High Court. LESCO further stated that the Honorable Court, having noticed that the same petition was pending before the Advisory Board, disposed of the petition, ordering on January 06, 2011 that the said appeal be decided by the Advisory Board as expeditiously as possible. LESCO further reported that, in principle, it has no objection to give an independent connection to the applicant. Further, STC has no right to sell electricity and LESCO had sent several notices to STC to stop this practice, but to no avail. The supply however, is not disconnected in the general interest of public and to refrain from creation of law and order problem.
  
4. To probe further into the matter, a site inspection was conducted by NEPRA personnel in presence of the parties on December 30, 2013 and a hearing was also held on the same day at Lahore which was attended by all concerned parties. The parties argued over the case in light of their earlier versions. During the hearing, M/s Goodi & Joyous was directed to provide documents with respect to agreement made with the management of STC, for scrutiny by NEPRA. The management of STC was also directed to submit its reply along with relevant documents. To seek further clarification, another hearing was held on April 23, 2014 at NEPRA Head Office, Islamabad. The management of STC submitted its reply/documents vide letter dated June 27, 2014. The management of STC in its reply stated inter alia that STC



is fully authorized to deliver electricity within its respective area/jurisdiction under the provision of tariff C-2. STC being bulk supply consumer is authorized to further distribute and resale electricity in its area of supply. The management of STC further stated that the occupants of shops/apartments of STC cannot be provided with independent electricity connections within the area of STC. The management of STC added that it is not charging unit rate exceeding LESCO's rate, rather the excess amount is being charged for providing uninterrupted power supply to the occupants through standby electric generators during load shedding period.

5. Another likewise complaint was filed by Mr. Azhar Abbas Shah and others on April 25, 2014 wherein it was requested for provision of independent connections. The matter was taken up with management of STC. In response thereto, the management of STC submitted the same kind of reply as submitted earlier.

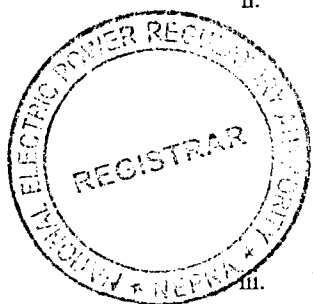
6. The case was examined in detail in light of written/verbal arguments of all the parties and applicable documents/law and was decided by NEPRA on July 23, 2014 wherein STC was directed, inter alia, to apply within 60 days of the receipt of the decision for grant of Distribution License after seeking NOC from LESCO, charge the bills to the occupants of STC as per the tariff of LESCO approved by NEPRA and that provision of electric supply through generator during load shedding period be dealt with separately and be decided amicably with the occupants of STC, etc.

7. Being aggrieved with the above decision, STC vide its letter dated August 23, 2014 submitted the instant Appeal, wherein, Siddique Trade Centre Lahore stated inter alia as under:

i. STC is a bulk power consumer of LESCO under tariff C-2 and has its own distribution system for the purpose of providing facility of electricity to shops, occupants etc. The Electricity Act 1910 defines "Bulk Supply" for the purpose of said tariff category as, "supply given in bulk at one point to consumers having their own distribution facilities i.e., own L.T./H.T. lines and distribution transformer etc, for the purpose of further distribution within their respective jurisdiction." As STC falls within the purview of this definition, does STC still need to apply for Distribution License.

ii. That STC purchases electricity in bulk from LESCO under Tariff C-2 and charges the cost to the shop tenants through facility of electricity based on consumption by individual shop occupants and also through service charges on per square foot basis which includes amenities provided, such as, central air conditioning, common area lighting, lift and escalators etc which also take up a substantial chunk of electricity purchased.

iii. That the tenants are charged for electricity usage at a unit rate which exceeds LESCO's rate; this excess is being charged for providing uninterrupted power supply to the occupants



through stand-by generators during load shedding period. However, the management of STC is willing to charge the same at LESCO's determined rate.

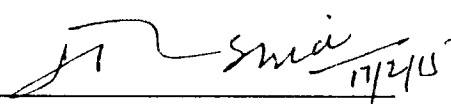
- iv. That the service charges are payable by tenants under the rental agreement between STC and tenants. These service charges are in addition to electricity cost and non-payment of these counts as default on part of tenant(s). Due to this it is fairly reasonable to disconnect the electricity on non-payment of service charges. Furthermore, as this is more of an issue between landlord and tenants, the matter must be dealt with under common law jurisdiction.
- v. That even otherwise the impugned order is totally without jurisdiction, uncalled for and void ab-initio. The complaint under section 39 of NEPRA Act gives jurisdiction to the Authority against Licensee. The appellant is not at all a licensee, therefore, the complaint at the very outset should have been dropped due to lack of jurisdiction.
- vi. The Authority was fully aware of the fact that an appeal against the order of Electric Inspector was pending before the Advisory Board Punjab, Lahore, which was decided on July 24, 2014 one day after the decision of Member (Consumers Affairs). The said appeal was in fact accepted and the decision of Electric Inspector was set-aside on ground of lack of jurisdiction into the matter and Electric Inspector has illegally and unlawfully directed LESCO to process application for new connection and to install the same immediately without getting any NOC or clearance from the administration of the appellant.
- vii. That even otherwise there is a contractual obligation between complainants and the management of STC, the complainants had agreed with the management that in case there is any default in payment of service charges or dues, the management has right to disconnect the facilities provided by the appellant. The complainants are in fact stopped by act and conduct to challenge the arrangement and contractual obligations between the parties.
- viii. M/s Goddi & Joyous (Pvt. Ltd) is a habitual litigant and has the habit of filing frivolous cases to pressurize the management to succumb to his illegal demands and favors. He filed a civil suit which he withdrew subsequently.

8. In pursuance to Section 39 of the NEPRA Act, 1997, a single Member cannot decide the complaints, therefore, the Authority has delegated its powers to Member (Consumer Affairs) to adjudicate upon consumer complaints filed under the ibid section. STC should have filed a review against the decision, however, the Authority considered the appeal filed by STC and treated the same as review and admitted it for hearing. Accordingly, hearing in the matter was scheduled for November 26, 2014 which was postponed on request of STC and was finally held on December 11, 2014 at NEPRA Head Office, Islamabad wherein representatives of the petitioner and Complainants participated and presented their cases before the Authority.

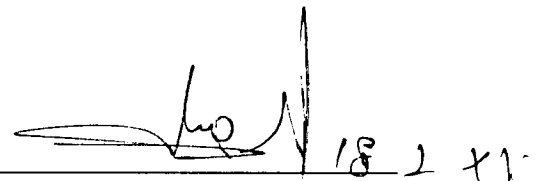
9. The Authority after detailed deliberations on the case decided to modify the decision dated July 23, 2014 as under:

- i. This is a similar kind of case as decided earlier wherein it was held that the entities who have obtained bulk supply connections prior to grant of distribution license to LESCO and are involved in resale/distribution of electricity are required to apply to NEPRA for grant of distribution license and tariff. The case of entities who have obtained bulk supply connections after grant of distribution license to LESCO and are involved in resale/distribution of electricity is required to be held in abeyance till formulation of policy by NEPRA. Since, Siddique Trade Centre (STC) has obtained bulk supply connection after grant of distribution license to LESCO therefore, case for grant of distribution license to Siddique Trade Centre is being held in abeyance till formulation of policy by NEPRA.
- ii. Till final decision by NEPRA, STC will sale electricity on same rates as of LESCO and rates of electricity produced on generator be decided amicably with the occupants of Siddique Trade Centre.
- iii. In case of any dispute over accuracy of metering equipment, the case be referred to Provincial Office of Inspection (POI) under Section 38 of the NEPRA Act.
- iv. If the Complainants have any issue with respect to service charges, they may take up the issue with management of STC or before the competent Court of Law.

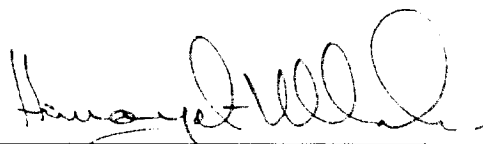
10. Compliance report in the matter be submitted within 30 days.

  
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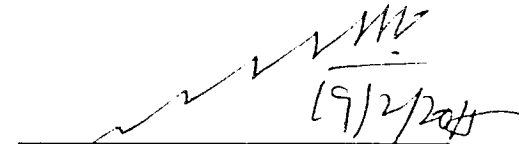
(Maj (R) Haroon Rashid)  
Member

  
18/2/15

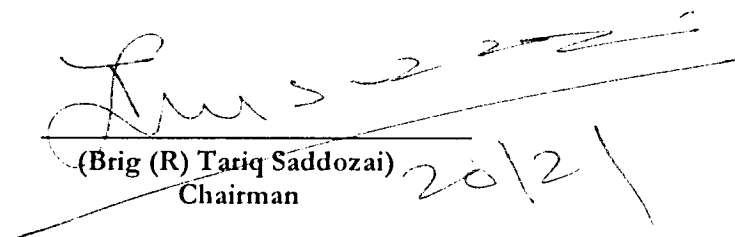
(Khawaja Muhammad Naeem)  
Member

  
20/2/15

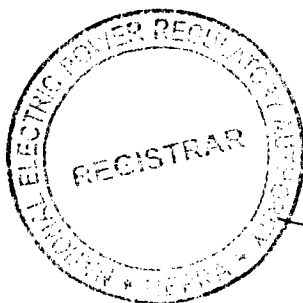
(Himayat Ullah Khan)  
Member

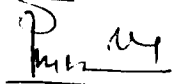
  
19/2/2015

(Habibullah Khilji)  
Vice Chairman

  
20/2/15

(Brig (R) Tariq Saddozai)  
Chairman



  
24.02.15