



Registrar

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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No. NEPRA/ADG(CAD)/TCD-04/14059-62

May 21, 2020

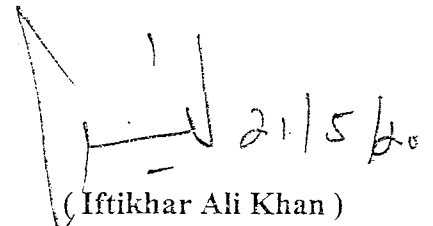
Chief Executive Officer
Faisalabad Electric Supply Company Limited (FESCO)
Abdullah Pur, Canal Bank Road,
Faisalabad.

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY EXECUTIVE ENGINEER, UNIVERSITY OF AGRICULTURE FAISALABAD UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST FESCO REGARDING CHANGE OF TARIFF (REF# 24 13225 5505682 R)**

Complaint No. FESCO-103/10/2019

Please find enclosed herewith the Decision of Member (Consumer Affairs) dated May 21, 2020 (04 Pages) regarding the subject matter for necessary action and compliance within thirty (30) days.

Encl: As above


(Iftikhar Ali Khan)
Director
Registrar Office

Copy to:

1. C.E/Customer Services Director
FESCO, Abdullah Pur, Canal Bank Road Faisalabad.
2. Additional Director General (CS)
FESCO, Abdullah Pur, Canal Bank Road Faisalabad.
3. Mr. Sadat-ul-Islam,
Executive Engineer, Engineering Construction Department (M),
University of Agriculture, Faisalabad



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No. FESCO-103/10/2019

Executive Engineer **Complainant**
Engineering Construction Department
University of Agriculture
Faisalabad.

Versus

Faisalabad Electric Supply Company (FESCO) Respondent
Abdullah Pur, Canal Bank Road
Faisalabad.

Date of Hearing: 14th February 2020

On behalf of Complainant: Mr. Saadat-ul-Islam

On behalf of Respondent: 1) Mr. Ameer Khan, XEN (Operations)
2) Mr. Muhammad Ikram, SDO (Operations)

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY EXECUTIVE ENGINEER, UNIVERSITY OF AGRICULTURE FAISALABAD UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST FESCO REGARDING CHANGE OF TARIFF (REF# 24 13225 5505682 R)**

DECISION

1. This Decision shall dispose of the complaint filed by Executive Engineer, University of Agriculture Faisalabad (hereinafter referred to as the "Complainant") against Faisalabad Electric Supply Company (hereinafter referred to as the "Respondent" or "FESCO") 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 dated 3rd October 2019 from Executive Engineer, University of Agriculture, Faisalabad. The Complainant submitted that an electricity connection under B2 tariff for the purpose of agricultural and poultry farms was obtained from FESCO in 2011. The purpose of said farm was to produce Agri and Poultry businesses and innovation in technology for national exchequer as well as to educate the University of Agriculture Faisalabad agrarians and veterinarian for the national and international market competition. However, in the month of September 2018 FESCO changed the tariff of the said connection from B2 to A3 without any formal notice and issued a defection bill amounting to Rs. 425,790/-. The complainant approached FESCO in this regard however he was told to approach NEPRA for the redressal of his issue.

3. The matter was taken-up with FESCO for submission of parawise comments/report. In response, FESCO, vide its letter dated 07th November 2019, reported (inter alia) that the tariff of the complainant has been changed from B-2(b) to A-3 as per approved NEPRA tariff w.e.f 22nd March, 2018 because as per the revised tariff, A3 General Services is applicable upon all the government and semi-government offices/institutions. Accordingly, the audit party worked out difference of tariff amounting to Rs. 425,790/- from April 2018 to September 2018 which was debited after serving notice on 12th January 2019 and the same was paid by the university.

4. In order to further probe into the matter, a hearing was held on 14th February 2020 at NEPRA Regional Office, Lahore, wherein both the parties participated and advanced their arguments. During the hearing, the Complainant reiterated his earlier version and further submitted that the premises is purely dedicated for poultry and fish farm. Therefore, the difference of tariff amounting to Rs. 425,790/- be reimbursed and the tariff be reverted to B2(b) category. The Complainant further submitted that the university neither changed any function of the said site (agri/poultry farms) nor plans to amend it in future and till date the connection is running at the site for the same purpose.



7. The case has been analyzed in detail in light of written/verbal arguments of the parties. Following has been observed:

- i. The Complainant obtained connection bearing reference No. 24-13225-5505682 for the sole purpose of agricultural and poultry farms in the year 2011 having sanctioned load of 165.920 kW under B2(b) tariff. The same purpose still exists at site.
- ii. The Authority introduced a new category of "General Services Tariff" which was notified on 22nd March 2018. As per the Tariff Terms & Conditions of FESCO, A-3 General Services tariff is applicable to the following:
 - a. Approved religious and charitable institutions
 - b. Government and Semi-Government offices and Institutions
 - c. Government Hospitals and dispensaries
 - d. Educational institutions.
 - e. Water Supply schemes including water pumps and tube wells operating on three phase 400 volts other than those meant for the irrigation or reclamation of Agriculture land.
- iii. According to the tariff terms & conditions "Industrial Supply" tariff is also applicable for consumers having single-metering arrangement on the following:
 - a. Poultry Farms
 - b. Fish Hatcheries and Breeding Farms
 - c. Software houses
- iv. The audit party of FESCO opined that the applicable tariff against the said connection of the government is A3 and accordingly, the Complainant's tariff category was changed from B2(b) to A-3 in

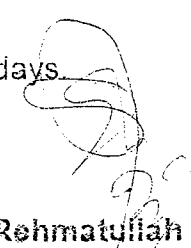


October 2018 and a difference of tariff bill amounting to Rs. 425,790/- for the months of April 2018 to September 2018 was issued to the Complainant which was paid accordingly to avoid disconnection of electricity supply.

- v. The Complainant has not changed any function of the said site and still the connection is being used for the sole purpose of agricultural and poultry farms. FESCO has also not pointed out any discrepancy regarding misuse of tariff by the Complainant. The applicable tariff for the poultry farms/fish farms is B category. Therefore, charging of difference of tariff amounting to Rs. 425,790/- and change of tariff from B2(b) to A3 category by FESCO is unjustified.

7. Foregoing in view, FESCO is directed to adjust the difference of tariff amounting to Rs. 425,790/- charged to the Complainant in future bills and change the tariff category from A3 to B2(b) in line with the Tariff Terms & Conditions approved by the Authority. The change in tariff category shall be admissible retrospectively i.e. from October 2018 to date and the Complainant's account be overhauled accordingly.

8. A compliance report be submitted within thirty (30) days.


(Rehmatullah Baloch)
Member (Consumer Affairs)

Islamabad, May 21, 2020