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National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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REGISTRAR

No. NEPRA/R/TCD.03/ 7434-36

August 16, 2011

Chief Executive Officer
Gujranwala Electric Power Company (GEPSCO)
565/A, Model Town GT Road
Gujranwala.

Subject: **COMPLAINT FILED BY MR. ABDUL BASAT BUTT S/O HAJI KARAMAT ULLAH BUTT UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST GEPSCO REGARDING SUPPLEMENTARY/ ADDITIONAL DEMAND OF CAPITAL COST RS 23380/-**
Complaint # GEPSCO-34/2-2011

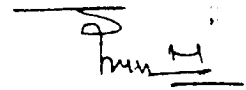
The complainant filed a complaint with NEPRA on March 29, 2011 stating that he applied for electric connection to GEPSCO under industrial load of 37 kW vide his application dated August 7, 2008 under tariff category B-2 (b). GEPSCO sanctioned the connection and issued Demand Notice on September 23, 2008 amounting to Rs.2,93,150/-, which was duly paid on October 11, 2008. Before energizing the connection, GEPSCO issued a second Demand Notice dated November 3, 2008 amounting to Rs 37,848/-, which he also paid. The complainant further stated that the connection was energized on May 5, 2009 and on March 17, 2011 GEPSCO issued another supplementary/ additional Demand Notice of Rs 23,380/- based on the para of the Audit department of GEPSCO. The complainant therefore prayed that the supplementary Demand Notice of Rs 23,380/- being unjustified may be declared as illegal and void ab-initio.

2. The case was taken up with GEPSCO by Consumer Affairs Division and GEPSCO vide its letter No 68201/CE-GEPSCO/DDCA-NEPRA dated April 22, 2011 responded that 8% installation charges were neither included in the original estimates prepared for complainant's electric connection nor the amount of Rs 23,380/- was recovered due to such omission. However, during the course of audit of accounts of concerned formation, the aforesaid omission was noticed, hence, the installation charges were raised through the supplementary / additional demand notice, which are liable to be paid by the complainant

3. The case has been reviewed in detail. In pursuance to the instructions of WAPDA issued vide letter dated July 28, 1992 (when the DISCOs were under the administrative control of WAPDA), the DISCOs were directed and restrained from raising any demand against its consumer after energization of the connection, GEPSCO therefore cannot claim any charges against the complainant once the connection has been energized, therefore demand notice issued to the complainant for Rs 23,380/- is illegal, unjustified and void ab-initio. Moreover, audit para is a matter of concern between the audit department and the GEPSCO and its consequence is not binding on the consumer to implement and pay for the loss raised in the audit report, nor can the consumer be held responsible for the omission/ error/ mistake and lapse on part of the officials/ staff of GEPSCO. The officer preparing the demand notice was duty bound to have correctly prepared it by applying and considering relevant rules/ policy then prevalent. GEPSCO therefore, is liable to bear the loss itself or make good the loss through recovery from the defaulting official(s). The consumer/ complainant cannot be penalized for the fault/ mistakes of the officials of GEPSCO. Reliance is also placed on ruling of Lahore High Court in the case of WAPDA VS UMAID KHAN (1988 CLC 501) as per which the Honorable Lahore High Court ruled that audit report could not make consumer liable for any amount and could not bring about any agreement between such Authority and the consumer making later liable to pay amount enhanced on basis thereof.

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4. In view of the above there is no force in the arguments / response of GEPCO as against the contention(s) of the complainant raised in his complaint. GEPCO is therefore, directed to withdraw the Demand Notice of Rs 25,380/ immediately and these charges be recovered from the officials who made mistake by skipping the installation charges while preparing the Demand Notice or bear the loss itself. Compliance report be submitted within 30 days of the receipt of this letter.



(Syed Safer Hussain)
Registrar

Copy:

1. C.E/ Customer Services Director
Gujranwala Electric Power Company (GEPCO)
565/A, Model Town GT Road
Gujranwala.
2. Mr. Abdul Basat Butt S/o Haji Karamat Ullah Butt
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