



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/ADG(CAD)/TCD 05/S444-46

April 2, 2019

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

Subject: **ORDER IN THE MATTER OF COMPLAINT FILED BY COMFORT
KNITWEARS (PRIVATE) LIMITED UNDER SECTION 39 OF THE
REGULATION OF GENERATION, TRANSMISSION AND
DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO
REGARDING EXCESSIVE MDI CHARGES (AC # 24 11533 9127001 U)
LESCO-119/07/2017**

Enclosed find herewith the Order of Member (Consumer Affairs) (03 Pages) regarding the subject matter for necessary action and compliance within thirty (30) days, please.

Encl: As above


(Iftikhar Ali Khan)
Director
Registrar Office

Copy to:

- i. C.E./Customer Services Director
Lahore Electric Supply Company (LESCO)
22-A, Queen's Road, Lahore.
- ii. Manager (Administration),
Comfort Knitwears (Private) Limited,
45, Industrial Estate, Township,
Kot Lakhpat, Lahore.



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

Complaint No. LESCO-119/07/2017

Comfort Knitwears (Private) Limited
Through its Manager (Administration),
45, Industrial Estate, Township, Kot Lakpat,
Lahore.

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Complainant

Versus

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

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Respondent

Date of Hearing: 30th May 2018
8th June 2018
4th August 2018
7th December 2018

Date of Decision: March 29, 2019

On behalf of:

Complainant: Mr. Muhammad Tariq, Manager (Administration)

Respondent:

- 1) Mr. Aqeel Sulehri, Deputy Manager
- 2) Mr. Shahzad Haider, Deputy Manager (Operations)
- 3) Mr. Khalid Mehmood (Deputy Director Technical)
- 4) Mr. Muhammad Kamran Mazhar, Deputy Manager (Commercial)
- 5) Mr. Imitiaz Noor, Addl. XEN (Operations)
- 6) Ch. Muhammad Saeed, Addl. Deputy Manager
- 7) Mr. Junaid Iqbal, SDO (Operations)

Subject: **ORDER IN THE MATTER OF COMPLAINT FILED BY COMFORT KNITWEARS (PRIVATE) LIMITED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING EXCESSIVE MDI CHARGES (REF# 24 11533 9127001 U)**

ORDER

1. This Order shall dispose of the complaint filed by Mr. Muhammad Tariq, Manager (Administration), Comfort Knitwears (Pvt.) Limited (hereinafter referred to as

the "Complainant") against Lahore Electric Supply Company (hereinafter referred to as the "Respondent" or "LESCO"), filed 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 16th June 2017, whereby the Complainant stated that LESCO wrongly charged excessive Maximum Demand Indicator (MDI) against Comfort Knitwear's Spinning (CNS) during the month of December 2014, however, they had paid the impugned bill under protest. The Complainant added that on their request, LESCO downloaded the meter data of both billing and backup meters whereby it revealed that the date and time of billing meter was wrong and 4272 MDI charged against CNS was not evident in back up meter. The Complainant further informed that he has been approaching LESCO time and again for the redressal of the grievances, however, the same has not yet been resolved by LESCO.

3. The matter was taken-up with LESCO for submission of parawise comments/report. In response, LESCO, vide its letter dated 11th October 2017, reported, inter alia, that the Complainant has been charged MDI for 4272 kW during the month of December 2014 as per actual reading of HT ToU billing meter. The Complainant requested for checking/downloading of the data of billing meter. Accordingly, the same was downloaded and it was revealed that the meter was within specified limits and the MDI was recorded as 4272 kW during the month of December 2014 which was correct and in accordance with the data reading of the meter. However, the Complainant showed dissatisfaction and requested for downloading of data of the backup meter for comparison. Accordingly, the data of the backup meter was also downloaded, whereby it was revealed that the backup meter was within specific limits and 3061 kW MDI was recorded in December 2014. LESCO further submitted that the HT ToU meter was within specified limits in data down loading report, therefore the MDI charged during December 2014 as per HT ToU meter is justified and liable to be paid by the Complainant.

4. The report of LESCO was forwarded to the Complainant for information/comments. In response, the Complainant, vide his letter dated Nil, raised certain observations over the report of LESCO and submitted that he was charged 4272 kW MDI in December 2014, whereas the back-up meter recorded MDI as 3061 kW. Further, the installed capacity of the transformers in the mill is 4000 kVA which cannot cater with the load of 4272 kW. In this regard LESCO also constituted a committee, the committee's report revealed that the display module of ToU billing meter was showing wrong time, thereby concluding that the meter was defective and recommended to replace the meter immediately vide checking report dated 15th May 2015. The Complainant further submitted that the billing has been shifted to the backup meter in February 2015, thereby revealing the fact that the impugned meter was defective and back up meter is working accurately within permissible limits as such the difference of the MDI between the ToU billing meter and backup meter is required to be adjusted by LESCO.

5. In order to further probe into the matter, a hearing was held on 30th May 2018 at NEPRA Regional Office, Lahore, wherein both the parties participated and advanced their arguments. During the hearing, the Complainant again informed that charging of

4272 kW MDI by LESCO is baseless. Whereas, the concerned officials of LESCO submitted that they will check the MDI at Grid Station for the month of December 2014 for redressal of the Complainant's grievances. However, LESCO failed to submit the results accordingly. In order to finalize the case, hearings in the matter were held on 8th June, 2018, 4th August 2018 and 7th December 2018, whereby LESCO officials informed that the case for correction of MDI is under process and assured to issue corrected bill, however, the same was not issued by LESCO.

6. The case has been examined in detail in light of documents made so available by the parties, arguments advanced in the hearings and applicable law. Following has been observed:

- i. The Complainant has been charged MDI to the tune of 4272 kW during the month of December 2014 as per HT ToU billing meter. The downloaded data of the backup meter shows MDI as 3061 kW for the said month resulting in difference of 1211 kW MDI.
- ii. The maximum MDI of the Complainant recorded during previous one year i.e. December 2013 to November 2014 is 3184 kW and MDI of one year after disputed period is 3232 kW, from which it is crystal clear that the MDI of the Complainant could not be scaled to the mark of 4272 kW.
- iii. The standing committee's report also supports the Complainant version that the HT ToU billing meter was faulty.
- iv. LESCO shifted the Complainant's billing on the back-up meter in February 2015, thereby revealing the fact that the impugned meter was defective and the back-up meter is working accurately within permissible limits. The concerned officials of LESCO also admitted this fact and recommended for correction of bill on the basis of MDI recorded on the back up meter in the month of December 2014. However, the issue was not resolved.
- v. The total installed capacity of transformers at site is 4000 kVA (2x2000 kVA), which cannot cater with the load of 4272 kW charged by LESCO.

7. Foregoing in view, LESCO is hereby directed to correct the Complainant's bill by revising MDI as 3061 kW for the month of December 2014 according to the data downloading report of the backup meter and overhaul the Complainant's account accordingly.

8. Compliance report be submitted within thirty (30) days.


Member (Consumer Affairs)


Islamabad, March 29 , 2019