



National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

Attaturk Avenue (East) Sector G-5/1, Islamabad.

Ph: 051-2013200 Fax: 051-2600021

**Consumer Affairs
Department**

39612
TCD.05/-2025
September 16, 2025

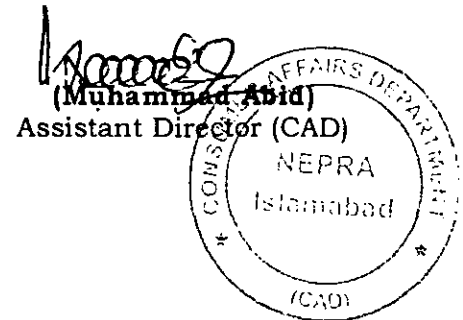
Chief Executive Officer (CEO),
Lahore Electric Supply Company (LESCO),
22-A, Queen's Road Lahore.

Subject: **DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD MUNIR ANJUM, M/S NISHAT HOTELS AND PROPERTIES LIMITED, UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING REFUND OF CAPITAL COST OF 200 KVA TRANSFORMER.**

Compliant No. LESCO-NHQ-49233-01-25

Please find enclosed herewith the decision of the NEPRA Complaints Resolution Committee (CRC), dated September 16, 2025 regarding the subject matter for necessary action and compliance.

Encl: As above



Copy to:

1. Chief Engineer/Customer Services Director,
LESCO, 22-A, Queen's Road, Lahore.
2. Director (Commercial),
LESCO, 22-A, Queen's Road, Lahore.
3. Incharge Central Complaint Cell, LESCO & -
Focal Person to NEPRA,
LESCO, 22-A, Queens Road, Lahore.
0370-4990220/ 042-99204859
Email: dmcs1lesco@gmail.com
4. Mr. Muhammad Munir Anjum,
M/s Nishat Hotels and Properties Limited,
Nishat House 53-A, Lawrence Road, Lahore.
042-32592000



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)

Complaint No. LESCO-NHQ-49233-01-25

Mr. Muhammad Munir Anjum
M/s Nishat Hotel & Properties Limited
Nishat House, 53-A, Lawrence Road, Lahore.

..... **Complainant**

VERSUS

Lahore Electric Supply Company (LESCO)
22-A, Queens Road, Lahore

..... **Respondent**

Date of Hearing: July 16, 2025

On behalf of
Complainant: Mr. Muhammad Munir Anjum, GM (Operation), NH&PL

Respondent: Mr. Mansoor Ahmed Khan SDO (Operation) LESCO

SUBJECT: DECISION IN THE MATTER OF COMPLAINT FILED BY MR. MUHAMMAD MUNIR ANJUM M/S NISHAT HOTELS & PROPERTIES LIMITED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING REFUND OF CAPITAL COST OF 200 KVA TRANSFORMER (REF # 24-11515-9250667)

DECISION

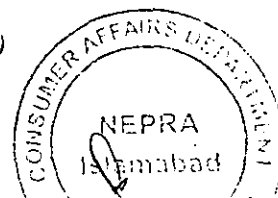
This decision shall dispose of the complaint filed by Mr. Muhammad Munir Anjum, General Manager (Operations), Nishat Hotel & Properties Limited (hereinafter referred to as the "Complainant") against Lahore Electric Supply Company (hereinafter referred to as the "Respondent" or "LESCO"), under Section 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 Complaints are that NEPRA received a complaint from Mr. Muhammad Munir Anjum dated November 20, 2024 wherein the Complainant submitted as under:

- i. A temporary electricity connection under E-I tariff for construction purposes was approved and energized through a 200 kVA distribution transformer by LESCO during September, 2018, on cost deposit basis.
- ii. Following the request of the Complainant regarding completion of designated civil work 200 kVA transformer was removed from the premises by LESCO during September, 2020 and later, returned to LESCO material stores during June, 2022 after accruing the lapse of approximately 21 months.

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CRC Decision: Nishat Hotel vs LESCO (LESCO-NHQ-49233-01-25)

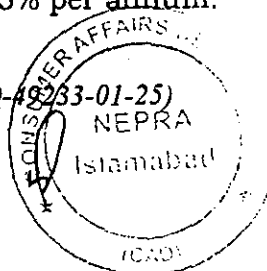


- iii. The dispute agitated by the Complainant pertains to non-refund of the capital cost of 200 kVA transformer despite several application duly filed with LESCO. Resorting to the relevant provisions of Consumer Service Manual (CSM), the Complainant requested to direct LESCO for refund of applicable cost of 200 kVA transformer commensurate with the period of actual usage.

3. The subject matter was taken up with LESCO and a hearing was held on July 16, 2025 at NEPRA Head Office, Islamabad wherein both the parties advanced their arguments and supported the same with documentary evidence. During the hearing, LESCO official apprised that the refund of capital cost of impugned transformer was not acceded by LESCO on account of being unserviceable/damaged, as checked by DTESU, Shalamar, Lahore.

4. The case has been examined in detail in light of the record made so available by parties, arguments advanced during the hearing and applicable law. Following has been observed:

- i. The temporary connection against construction of Nishat Residential-Apartments located at 75-FCC Gulberg, Lahore was approved by LESCO on cost deposit basis under E-I (ii) tariff through independent 200 kVA distribution transformer. The connection was, then, energized during September, 2018 and later, the 200 kVA transformer was removed from the site following the disconnection of temporary connection, upon the request of Complainant. The Complainant was of the view that LESCO should refund the capital cost of 200 kVA transformer duly removed and returned to LESCO material store. LESCO has not refunded the depreciation cost of the removed 200 kVA transformer.
- ii. Perusal of the documentary evidence reflects that the transformer was actually removed from the site on September 18, 2020 following the explicit request of the Complainant dated September, 12, 2020. The record is discreetly silent regarding the whereabouts of removed transformer until the date of checking of the same at DTESU, Shalimar, Lahore on June 06, 2022 wherein the transformer was duly declared unserviceable under relevant test bench and later returned to relevant store vide MRN 098279 dated June 10, 2022. In contrast, the scrutiny of M&T report dated September 18, 2020 issued during the disconnection of temporary connection, divulges that the corresponding metering equipment was found in the working condition and actually healthy. The same points towards the fact the meter could only be found in a working/permmissible condition unless the same is remained connected to a healthy transformer which establishes the ground fact that the impugned 200 kVA transformer when removed from the site by LESCO was in serviceable condition. During the hearing, LESCO official submitted that the removed 200 kVA transformer was in custody of concerned Line Superintendent.
- iii. According to clause 3.4.4 of the Consumer Service Manual (CSM), after the expiry of the sanctioned period or after the period when temporary connection is no more required and is disconnected, the material/equipment will be retained by DISCO and the cost of equipment installed for temporary connection shall be reimbursed to the consumer at depreciated rates. Moreover, according to Consumer Service Manual (CSM) 2021 read with clarification issued vide letter dated March 26, 2021 regarding the revised CSM-2021, in case of removal or replacement of dedicated distribution system or any part thereof on account of permanent disconnection/extension/reduction of load, change of tariff, shifting of site etc. the life period of transformer be taken as 20 Years for calculation of depreciation for adjustment i.e. @ 5% per annum.



iv. According to Regulation 9(1) of the Consumer Eligibility Criteria (Distribution Licensees) Regulation 2022, upon removal or replacement of a Dedicated Distribution System or any part thereof, on account of permanent disconnection, or for any other similar reasons, the distribution licensee shall retain the Dedicated Distribution System or any part thereof as the case may be if the material is not utilized for extension or reduction of load, etc upon payment in the matter as under.....

a) The monetary value of any serviceable equipment such as switchgear, transformer and others, in the Dedicated Distribution System or any part thereof shall be determined by taking useful life as twenty years for calculation of depreciation for adjustment at the rate of five percent per annum;

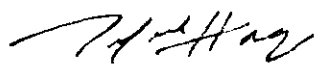
b) In any case, the depreciated value of the serviceable equipment shall not be less than twenty percent of the initial capital cost and there shall not be any compensation for non-serviceable material and equipment;

v. Further above it is clear that the 200 kVA transformer was in actual healthy and in serviceable condition during its removal from the Complainant's premises on September, 2020. However, after its removal from site; the transformer was in custody of LESCO till it returned to store on June, 2022. LESCO cannot shift its responsibility and resulting liability onto the Consumer. Therefore, it can be concluded that the capital cost is required to be refunded to the Complainant by taking into consideration the depreciation for approximately 2 years i.e. the actual usage of transformer in service.

5. Foregoing in view, LESCO is directed to refund the capital cost of removed 200 kVA transformer taking into account the depreciation as provided in Consumer Service Manual (CSM) and Consumer Eligibility Criteria (Distribution Licensees) Regulation 2022. The Complaint is disposed of in above terms.


(Lashkar Khan Qambrani)

Member, Complaints Resolution Committee/
Director (CAD)


(Muhammad Irfan ul Haq)

Member, Complaints Resolution Committee/
Assistant Legal Advisor (CAD)


(Naweed Illahi Shaikh)

Convener, Complaints Resolution Committee /
Director General (CAD)

Islamabad, September 16, 2025

