

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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Registrar

. No. NEPRATCD 05/1834-43

15-03-2011

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

Mr. Abdul Haq S/O Wali Muhammad, R/o House No. 84, Aukaf Abadi, Rashidpurah Road, Kotli Pir Abdul Rehman, Opposite Masjid-e-Aqsa, Ahl-e-Hadis, Shalamar Town, Lahore. Cell No. 0345-2670841 DOCHO)

Link up with concerned file

5.18/3

Subject:

Complaint of Mr. Abdul Haq S/0 Wali Muhammad under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 against LESCO regarding Non-Provision of Electricity Connection Complaint # LESCO-141-2010

Please find enclosed the decision of Vice Chairman / Member (Consumer Affairs) on the subject matter for compliance within 60 days of the receipt of this letter by LESCO.

Encl: As above

(Syed Safeer Hussain)

Copy for information to:

- 1. Chief Executive Officer, Faisalabad Electric Supply Company Ltd.
- 2. Chief Executive Officer, Gujranwala Electric Power Company Ltd.
- 3. Chief Executive Officer, Hyderabad Electric Supply Company Ltd.
- 4. Chief Executive Officer, Islamabad Electric Supply Company Ltd.
- 5. Chief Executive Officer, Multan Electric Power Company Ltd.
- 6. Chief Executive Officer, Peshawar Electric Supply Company Ltd.
- 7. Chief Executive Officer, Quetta Electric Supply Company Ltd.
- 8. Chief Executive Officer, Karachi Electric Supply Company Ltd.

No. NEPRA/TCD 05 /1844

Forwarded for information, please.

5-03-2011 Tun 1 Rogistrar

Sr. Advisor (CAD)

CC:

1. Chairman

2. Vice Chairman / Member (CA)



BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY NEPRA

Complaint No. LESCO-141/2010

Date of Hearing:

Present:

Shaukat Ali Kundi Vice Chairman/ Member (Consumer Affairs)

APPEARANCE ON BEHALF OF:

Complainant:

None

Respondent:

- 1) Ch. Mahboob Elahi, Additional CSD, LESCO
- 2) Mr. Zulfiqar Ali Baloch, SDO Salamat Pura S/Div
- 3) Mr. Ali Arfan, LS-1, Salamat Pura S/Div

IN THE MATTER OF COMPLAINT OF MR. ABDUL HAQ S/O WALI MOHAMMAD UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST LESCO REGARDING NON PROVISION OF ELECTRICITY CONNECTION

ORDER

- This order shall dispose of the complaint submitted by Mr. Abdul Haq (hereinafter referred to as "Complainant") against the Lahore Electric Supply Company (hereinafter referred to as "LESCO" or "Respondent").
- 2. The background of the case is that the complainant in his complaint addressed to Consumer Affairs Division, NEPRA stated that in the year 2004 his wife moved an application for domestic as well ass commercial connection to Salamat Pura, Sub Division of LESCO who kept me perturbed for almost 04 years and eventually issued to me a demand notice for Rs.1,12,000/- which was illegal and eventually gave me the connection after payment of Rs.3,400/-. Further that this problem of the complainant was solved on the notice of Chairman NEPRA. Further that for the last so many years he is interested in getting

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- commercial connection but the SDO/XEN responds that the connection will only be granted after depositing of amount as per SOP. The complainant further stated that the electric connection already already existed in his house and only one meter wire is required for another connection because transformer for a simple connection. However in the rejoinder the complainant has specified very clearly and prayed for commercial connection.
- 3. The complaint was referred to respondent LESCO by Consumer affairs Division NEPRA to explain its position against the allegations made by the complainant. Respondent LESCO through its letter dated August 05, 2010 reported that a demand notice amounting to Rs.2,81,618/- (capital cost) and Rs.4,094/- (security) has been issued to the complainant and the connection will be installed after verification of payment from the consumer.
- 4. The report of LESCO was communicated to the complainant for his comments/rejoinder. The complainant in his rejoinder to the LESCO's report stated that HT/LT network exists in their area since 1980 and connections have been provided across the road in Aukaf colony and LESCO's sub divisional office is also located in that vicinity. These connections have been provided at normal rates. His wife and he applied for domestic and commercial connection on 10-12-2004 but LESCO Salamat Pura sub division refused to provide connections with the plea that the area is un-electrified. On intervention of NEPRA only one domestic connection was provided to him and remaining two connections have not yet been provided. The complainant requested that electricity connection should be provided to him on non discriminatory basis at normal rates.
- 5. The rejoinder of the complainant was sent to LESCO for comments. In response LESCO through its letter dated December 04, 2010 reported that the house of the complainant falls in an unelectrified housing scheme named "Gulshan-e-Rehman" launched by Ministry of Religious Affairs 10 years back and the Ministry of Religious Affairs neither sponsored this scheme nor came up to WAPDA/LESCO for its proper electrification. In order to resolve the long standing issue of external electrification of abandoned housing scheme, an SOP for individual applicants/cluster of houses was approved by LESCO and accordingly connections have been given in the electrified portions of the said housing scheme and the complainant has already been given a domestic connection in the electrified portion. The complainant has now applied for a commercial connection in an unelectrified area for which he has been issued a demand notice including a cost of 10 kVA transformer in light of SOP. In fact the complainant wants to get the commercial connection from the HT/LT system of the locality of Kotli Pir Abdul Rehman existing in front of his premises which cannot be provided being contrary to the prevailing policy of the department and SOP.
- 6. On directions of Consumer Affairs Division, the concerned SDO and Line Superintendent attended the office of Senior Advisor (Consumer Affairs Division) on December 30, 2010. It was submitted by LESCO officials that the complainant's house is located in a sponsored housing scheme known as Aukaf Colony. There are 125 plots in the said colony and the colony has become partially electrified on cost deposit basis under the SOP framed specially for this abandoned housing scheme. The officials further informed that no transformer has been installed in the society at LESCO's cost. Also some connections have been illegally shifted in the said colony from nearby electrified area. A 200kVA transformer of the adjacent colony of Kotli Abdul Rehman is installed in front of the house of the complainant. Previously, the complainant was provided an electricity connection for his house as a special case.

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- 7. In the hearing held on February 08, 2011, LESCO representatives submitted that they have provided connections in the Aukaf Colony under the SOP framed specially for the said society. The complainant did not attend the hearing.
- 8. LESCO has framed an SOP for provision of electricity connection in this abandoned society on June 20, 2006 but most of the connections have been given in the society prior to issuance of SOP. Consumer Eligibility Criteria, 2003 is the only document to govern such consumers like the complainant and LESCO is obliged to provide any number of connections if it meets initial scrutiny requirement. As per clause 8 of Consumer Eligibility Criteria-2003, the average charges for a class of applicants for Dedicated Distribution System shall be approved by the Authority. Any SOP should be restricted to the extent and should not "intrude" into the principles established by NEPRA regulatory regime. Consumer Eligibility Criteria-2003 was promulgated in 2003, while LESCO issued the said SOP in 2006. Is this not the denial/opposition or negation of Consumer Eligibility Criteria-2003? Does Consumer Eligibility Criteria-2003 not supersede all Rules, Regulations issued in this regard?
- 9. Some connections have been given in the society on cost deposit basis. A number of connections exist in the said society through extensions as per the statement of LESCO representatives but the record is silent with reference to disciplinary action against the staff who allowed these extensions. A 200 kVA distribution transformer is installed in front of the house of the complainant and house of the complainant is energized. One domestic connection exists there and as per Consumer Eligibility Criteria-2003, the Distribution System of LESCO exists in the house of the complainant in the form of electricity connection. The rules framed under the Act are bound to be followed. The SOP framed by LESCO cannot by any means supersede the rules. LESCO being licensee of NEPRA is bound to follow the NEPRA Act, Rules, Regulations and Instructions.
- 10. It is pertinent to mention that earlier on the directions of NEPRA vide letter dated August 16, 2007, LESCO allowed one residential connection to the instant complainant. LESCO vide its letter dated 29-04-2008 reported as under:

"Quote"

The electricity connection to Mr. Abdul Haq S/o Wali Mohammad R/o Auguaf Colony Shalamar Town Lahore was not provided being an un-electrified housing scheme. There are number of un-electrified housing schemes and as a policy matter LESCO is not providing connections in un-electrified housing schemes.

In view of NEPRA's letter No. TCD 04/1344 dated 16-08-2007, the matter has been reconsidered and decided as a policy matter that all the houses situated within 40 meters of the existing transformer near to the complainant house will be provided electricity connections. Accordingly, the demand notice was issued to the consumer and on payment of demand notice the connection has been installed/energized.

Chief Engineer (P &D)

"Unquote"

- 11. After considering all the relevant aspects of the case, LESCO is directed to:
 - i) Provide residential connection to the complainant from the existing transformer if the premises qualify for second connection.



- ii) The demand notice issued by LESCO for commercial connection be revised on least cost basis since HT line exists in front of the premises of the complainant.
 - iii) Submit compliance report within 60 days of the receipt of this decision.

(Shaukat Ali Kundi) 10.03.2011
Vice Chairman/Member (Consumer Affairs)

Dated: Islamabad March 10, 2011