

**EXTRAORDINARY
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PART II
Statutory Notification (S.R.O)

GOVERNMENT OF PAKISTAN

**NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
ELIGIBILITY CRITERIA FOR CONSUMERS OF DISTRIBUTION
COMPANIES 2003**

NOTIFICATION

Islamabad, the 26th July, 2003

S.R.O. 743(1)/2003.---Pursuant to Section 21 (2) (b) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), the National Electric Power Regulatory Authority is pleased to lay down the following eligibility criteria for a non-discriminatory provision of distribution service and sale of electric power to all the consumers within the service territory of a distribution company.

**PART-I
SHORT TITLE, COMMENCEMENT, JURISDICTION AND
DEFINITIONS**

1. Short Title Commencement and Jurisdiction

- (1) This criteria may be called the NEPRA “Consumer Eligibility Criteria” 2003.
- (2) This Consumer Eligibility Criteria shall be applicable from the date of its notification in the official Gazette.
- (3) This Consumer Eligibility Criterion shall be applicable to all the distribution licensees permitted to carry out distribution of electric power service within the territory of Pakistan.
- (4) The Authority may amend the provisions of this Consumer Eligibility Criteria, either *suo moto* or at the request of any person or a licensee, as deemed appropriate after consultation with the licensee and other stake holders.

2. Definitions

- (1) Unless the context otherwise requires ‘words and phrases’ used but not defined here shall have the meaning assigned to them in the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 and the rules made thereunder:-

- (i) “Applicant” means any person who applies to a distribution licensee for provision of electric power service or modification thereof.
- (ii) “Common Distribution System” means the distribution system as defined in the distribution licence other than the dedicated distribution system;
- (iii) “Connecting point” for the purposes of this Consumer Eligibility Criteria means the point where the dedicated distribution system of the applicant is connected with the existing common distribution system;
- (iv) “Concession Territory” means the territory outside the Service Territory of a distribution licensee defined by the administrative/geographical boundaries and as delineated in a distribution licence;
- (v) “Dedicated Distribution System” means that part of the distribution system, required to supply power for the sole consumption of an applicant and not for supplying power to any other consumer and shall comprise of the distribution system from the connecting point upto the interconnection point of the applicant including the metering and service wire and such other connection arrangements;
- (vi) “Inter Connection Point” means the point where the metering installation and protection apparatus of the consumer is connected to the dedicated distribution system ;
- (vii) “Metering Installation” means the metering and associated equipment required to be installed for recording consumption/usage of electric power of an applicant;

PART- II
ELIGIBILITY CRITERIA

3. Eligibility Criteria for Consumers of Distribution Companies

- (1) Within the service territory of a licensee specified in a distribution licence, any person, shall have the right to be supplied with electric power by the licensee provided that:
 - (a) the applicant moves an application in the form prescribed by the distribution company alongwith such other supporting documents as approved by the Authority;

- (b) the applicant deposits the charges for the proposed dedicated distribution system upto to the inter connection point including the metering installation;
 - (c) the applicant's wiring installation, transformation and protection equipment downstream of the inter connection point has been tested and certified by an Electric inspector(who shall be an Electrical Engineer registered with Pakistan Engineering Council) to be in conformity with the technical and safety standards applicable under the operating codes, procedure or manuals approved by the Authority;
 - (d) the distribution licensee is satisfied with respect to the compliance of the technical and safety standards as per the operating codes, procedure or manuals approved by the Authority;
 - (e) the applicant has made payment of security deposit as determined by the Authority;
 - (f) no arrears of electricity bills are outstanding against the occupier/owner of the premises for which the applicant has sought to be provided with distribution service;
 - (g) the applicant has not been guilty of committing an offence of stealing of electricity under the law.
Provided however, if a guarantee to the satisfaction of the licensee is provided to compensate for any loss to the licensee which may accrue due to dishonest abstraction of electric energy or non payment of bills, the applicant shall be eligible to be supplied with electric power services
- (2) Sub-regulation (1) of Regulation 3, shall not apply to consumers who are already connected to the licensee distribution system or have applied for a connection and have deposited the initial cost before the notification of the Consumer Eligibility Criteria.
 - (3) All charges to be deposited by an applicant shall be estimated in accordance with the prudent utility practices, instructions issued by the licensee and orders of the Authority issued from time to time.
 - (4) Notwithstanding the provisions of Regulation 3(3), in case the licensee determines to receive average charge for dedicated distribution system per applicant from a class of applicants, the licensee shall prescribe such charges with the prior approval of the Authority under Regulation 8 hereof.

- (5) Subject to the prior application of complaint redressal mechanism of the licensee, all disputes in respect of estimation of charges shall be filed with the Authority for resolution as per Regulation (10) of this Consumer Eligibility Criteria.

4. **Extension and Reinforcement of the Common Distribution System**

- (1) If an extension/reinforcement is required to be made in the common distribution system within the service territory of the licensee in order to provide an applicant with electric power as per Regulation 3 above, the licensee shall carry out the required extension/reinforcement at its own cost in accordance with its development plan approved by the Authority.
Provided however, if the required extension/reinforcement does not fall within the approved development plan of the licensee, the licensee shall arrange for the provision of required extension/reinforcement in accordance with the least cost system expansion plan of the licensee.
- (2) If the distribution licensee has shown its inability to provide the required extension within its concession territory, at its own cost and surrendered its first right to serve in the concession territory granted under a distribution licence, the applicant may get the required extension arranged through any other licensee on terms mutually acceptable to the applicant and the other distribution licensee as per the terms of relevant licence and the applicable licensing rules.
- (3) Without prejudice to the foregoing, in case the applicant offers to deposit the cost, to be incurred on the required extension/reinforcement of the common distribution system, the licensee shall provide the required extension/reinforcement services upon deposit of costs by the applicant subject to an agreement of reimbursement of costs incurred by the applicant.
- (4) The provisions of Regulation 3 shall also be applicable to consumers who apply for enhancement of load.

PART- III APPLICATION

- 5 Save to the extent of any agreement between a consumer and a licensee, the existing consumers registered with the licensee or applicants who have been charged an initial cost of connection or system extension, reinforcement or development charges and have deposited such cost prior to the notification of this Consumer Eligibility Criteria according to the instructions of the licensee enforced at that time will not have any right to be reimbursed with such deposits by the licensee.
- 6 The dedicated distribution system of the consumer shall be maintained by the licensee up to the metering installation of the consumer. Control of such a system shall be handed over to the licensee for the purpose of operation and maintenance before commencement of provision of electric power service to the consumer.

- 7 The dedicated distribution system, other than service wire and meter, may be converted into common distribution system with the written consent of the owner of the dedicated distribution system in which case, the cost incurred by its owner shall be reimbursed by the licensee at mutually agreed terms.
Provided however, in case the right of way is contested by the owner of a dedicated distribution system, subject to the full satisfaction of the Authority regarding licensee's claim, the licensee shall not be required to get such written consent, after payment of appropriate compensation to the owner of the dedicated distribution system.
- 8 For the purpose of Regulation 3(4), the licensee shall submit a petition with the Authority under NEPRA Tariff Standards and Procedure Rules, 1998 for its determination of average charges to be paid by a class of applicants for their individual dedicated distribution systems.
- 9 The licensee shall publish and make available to all interested persons the average charges as approved by the Authority.
- 10 All complaints and disputes in respect of the administration of this Consumer Eligibility Criteria shall be referred to NEPRA for resolution.
