



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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OFFICE OF THE
REGISTRAR

No. NEPRA/CAD/TCD-06/10585-87


July 28, 2016

Chief Executive Officer
Multan Electric Power Company Ltd.
MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan

Subject:- DECISION IN THE MATTER OF COMPLAINT FILED BY IMRAN OIL MILLS THROUGH SHEIKH MUHAMMAD IMRAN S/O SHEIKH ABDUL MAJEED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST MEPCO REGARDING DETECTION BILL (AC # 27 15125 1442201)

Complaint MEPCO-183/2016

Please find enclosed the Order of NEPRA in the subject matter for compliance within thirty (30) days of receipt of the Order.


28/7/16
(Iftikhar Ali Khan)
Deputy Registrar

Copy:-

1. C.E/ Customer Services Director
Multan Electric Power Company Ltd.
MEPCO Complex, WAPDA Colony,
Khanewal Road, Multan
2. Sheikh Muhammad Imran S/o Sheikh Abdul Majeed
Proprietor, Imran Oil Mills Chah Mullani Wala,
Vehari Road, Multan.



BEFORE THE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)
MEPCO-183/2016

Imran Oil Mill **Complainant**
Chah Mullani Wala, Vehari Road
Multan.

Versus

Multan Electric Power Company Limited (MEPCO) **Respondents**
MEPCO Complex, WAPDA Colony, Khanewal Road, Multan

Date of Hearing: May 12, 2016

Date of Decision: July 28, 2016

On behalf of

Complainant: 1) Sheikh Muhammad Imran Majeed
2) Mr. Irshad Khakwani
3) Mr. Muhammad Mehraban Ranjha

Respondents: 1) M. Umer Lodhi, Director
2) M. Iqbal Khan, Executive Engineer
2) M. Sadiq Khan, Commercial Superintendent
3) Peerzada Naeem ul Haq, Commercial Assistant

Subject:- **DECISION IN THE MATTER OF COMPLAINT FILED BY IMRAN OIL MILL THROUGH SHEIKH MUHAMMAD IMRAN S/O SHEIKH ABDUL MAJEED UNDER SECTION 39 OF THE REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 AGAINST MEPCO REGARDING DETECTION BILL (AC # 27 15125 1442201)**

ORDER

1. This Order shall dispose of the complaint dated nil (received on April 8, 2016) filed by Imran Oil Mill, Vehari Road Multan (hereinafter referred to as "the Complainant") under Section 39 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 against Multan Electric Power Company Limited (hereinafter referred to as "the Respondent" or "MEPCO").

2. The Complainant in his complaint stated that it owns a mini Oil mill for which it obtained an electricity connection from MEPCO. The Complainant submitted that its electricity meter was checked by officials of MEPCO time and again and found in order. Further it was explained that MEPCO issued it a detection bill amounting to Rs.1,32,37,773/- on account of slowness of meter on April 10, 2015 and

disconnected the supply. The Complainant requested for intervention/enquiry of the matter in light of NEPRA rules.

3. The complaint was forwarded to MEPCO for submission of report/para wise comments. In response, MEPCO vide letter dated April 22, 2016 submitted that the connection was checked on April 09, 2015 by Federal Investigation Agency (FIA) on its own information along with MEPCO (M&T) team whereby it was found that the electricity was being illegally abstracted through Remote Control Device and accordingly an FIR was lodged against the Complainant. A notice was served upon the Complainant on April 10, 2015 along with a detection bill amounting to Rs. 132,57,600/- for the period from April 2013 to March 2015 (24 months) for making payment. MEPCO added that the Complainant instead of making payment approached the courts which resulted in a series of litigation from Session Court to the Honorable High Court. The filed cases were dismissed in favour of MEPCO. Later on, the Complainant filed a new suit before Civil Judge Multan and during the pendency of the same, it filed complaint before the Authority. The said suit was dismissed as withdrawn on April 26, 2016.

4. In order to further look into the matter, a hearing was held on May 12, 2016 at NEPRA Head Office, Islamabad. The hearing was attended by both the parties i.e. MEPCO and the Complainant. During the hearing, both the parties advanced arguments on the basis of their earlier submissions. Subsequent to the hearing some additional information/documents were sought from MEPCO pertaining to record of the meter, meter inspection reports, billing history, disciplinary proceedings against officials etc. and the same were submitted by MEPCO vide letter dated June 01, 2016 and June 08, 2016.

5. The case has been examined in detail in light of documents made so available by the parties, arguments advanced during the hearing, and applicable law. The following has been concluded:-

- i. The connection of Imran Oil Mill was installed on October 25, 2005 with initial sanctioned load as 8 kW under B-1 tariff category and was fed through a Common Distribution Transformer. The load of the Complainant was enhanced to 66 kW in February 2013. Upon extension of load, a 100 kVA transformer along with allied material was drawn from the store through store requisition No. 0881947 dated February 27, 2013 and installed at the premises. The LT TOU meter drawn through the said store requisition was not installed at the premises, rather another meter bearing No. 89170 drawn for one Mr. Javed Akhtar through store requisition No. 173567 dated June 11, 2012 was installed at the premises of the instant Complainant on March 26, 2013 by the Standing Committee comprising of concerned Assistant Manager (Operation), Deputy Manager (Operation), Test Inspector and Deputy Manager (M & T) Circle Multan. This meter remained at some unknown place for more than 9 months. The Committee declared it OK and within accuracy limits.

- ii. The said meter was again checked by the committee during routine checking on October 23, 2013, September 01, 2014, October 17, 2014 and February 25, 2015 and found it to be in order. Later on, FIA at its own information conducted a raid along with MEPCO officials on April 09, 2015 at the premises and at that time the meter was opened and it was found that the electricity was being abstracted through some remote control device. This showed that the meter was tampered after drawn from the store and was later on sealed properly due to which the discrepancy could not be pointed out by the standing committee. From the said it is clear that a tampered meter was installed at the premises by officials of MEPCO in connivance with the Complainant. At the time of checking, the connected load was found as 80 kW. An FIR has been lodged against the Complainant. The meter and other relevant record are in possession of FIA and the challan has been submitted before the trial court.
- iii. In view of the said, MEPCO served a detection bill to the Complainant amounting to Rs. 1,32,57,600/- on April 10, 2015 along with notice for payment within 7 days. MEPCO assessed the consumption of the Complainant as 840960 units for the period from April 2013 to March 2015 (24 months) at 60 % load factor & 80 kW connected load. After deducting already charged 178080 units during this period, MEPCO raised a detection bill of 662880 units. MEPCO also assessed total MDI for 24 months as 1924 kW and after deducting already charged 1084 kW, net difference i.e. 836 kW MDI was also charged against the Complainant.
- iv. The billing history of the Complainant's account provided by MEPCO is as under:

Month	2012		2013		2014		2015	
	MDI	Units	MDI	Units	MDI	Units	MDI	units
Jan	-	-	27	8067	55	13040	32	4440
Feb	-	-	31	7074	57	11160	0	0
Mar	-	-	29	4387	54	4480	59	4640
April	-	-	0	0	52	11280		disconnt
May	-	-	0	0	57	7480		
June	-	-	0	0	33	2800		
July	37	4540	271	54400	15	3360		
Aug	32	7186	60	10240	27	2240		
Sep	27	770	50	9120	31	3000		
Oct	30	8236	51	9480	21	2320		
Nov	27	8799	56	8800	18	2600		
Dec	28	8604	51	8760	34	4440		

The load of the Complainant was enhanced in March 2013 from 8 kW to 66 kW. The above table shows that the Complainant was illegally using higher load prior to load extension. Moreover, the above table also clarifies that the units consumed by the Complainant do not match with its sanctioned/connected load. This analysis also adds credence to the allegation of illegal abstraction of electricity.

v. Prima facie it appears that MEPCO is justified in raising detection bill against the Complainant on account of illegal abstraction of electricity but quantum/period of charging is on higher side and is in contradictory to the provisions of Consumer Service Manual (CSM). In this regard it is explained that a procedure is laid down in CSM which provides, inter alia, for securing the existing meter in the presence of the consumer or his representative, installation of check meter, involvement of local representatives of the area and Provincial office of inspection, issuance of notice and examining the reply of the consumer. Once illegal abstraction is confirmed, detection bill is to be restricted to six months previous from the date of establishment of illegal abstraction. If the consumer objects payments or disputes over the quantum of the units detected by the DISCO, the appellant authority for revision of detection bill would be the review committee of DISCO headed by the next higher officer. The consumer will also be given personal hearing by the review committee. In case, the dispute remains unresolved even after exhaustive review, the DISCO after getting approval of Chief Executive Officer may lodge the F.I.R. The consumer may also approach a competent Court of law under the relevant provisions of Electricity Act, 1910. From the record, it has not been established that MEPCO has followed the procedure given in CSM prior to imposition of detection bill. Having said that prima facie it appears that Complainant was illegally abstracting electricity. The CSM, envisages that period of detection bill be restricted to 6 months maximum whereas in the instant case, MEPCO has charged detection bill to the tune of 24 months.

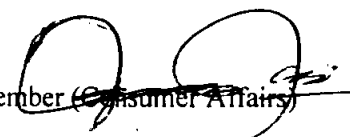
6. In consideration of the above, MEPCO is directed as under: -

- i. Revise the detection bill from twenty four (24) months to six (6) months strictly in accordance with the provisions of CSM.
- ii. Fix responsibility and finalize the disciplinary proceedings against the officers/official(s) at fault for not being vigilant enough to point out the discrepancy in time.

7. Compliance report with respect to para 6(i) and (ii) above be submitted within thirty (30) days.

8. This Order is issued without prejudice to any further action that the Authority may initiate on account of any violation of law. The findings, observations and decision rendered through this order is strictly in accordance with the rules and regulations administered by the Authority and shall not in any way effect or prejudice any case (criminal or civil) pending before any court of competent jurisdiction.

Islamabad July 28, 2016


Member (Consumer Affairs)