



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/DG(CAD)/TCD-06/ 5348

April 10, 2025

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

Subject: ORDER OF THE AUTHORITY IN THE MATTER OF SHOW CAUSE NOTICE ISSUED TO MULTAN ELECTRIC POWER COMPANY (LIMITED) UNDER REGULATION 4(8) & 4(9) OF THE NEPRA (FINE) REGULATIONS, 2021 FOR CHARGING OF DETECTION BILLS ON ACCOUNT OF SLOWNESS OF ENERGY METERS FOR MORE THAN TWO (2) BILLING CYCLES

Enclosed please find herewith the Order of the Authority (total 03 Pages) in the subject matter for information.

Enclosure: As above

Wasim Anwar Bhinder
(Wasim Anwar Bhinder)



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

MEPCO-08-10-2023

Date of Hearing: October 25, 2023

Authority:

Mr. Waseem Mukhtar	Chairman
Mr. Rafique Ahmed Shaikh	Member (Technical)
Engr. Maqsood Anwar Khan	Member (Licensing)
Mr. Mathar Niaz Rana (NSC)	Member (Tariff)
Ms. Amina Ahmed	Member (Law)

**On behalf of
MEPCO:**

Engr. Jam Gul Muhammad Zahid	Chief Executive Officer
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Subject: ORDER OF THE AUTHORITY IN THE MATTER OF SHOW CAUSE NOTICE ISSUED TO MULTAN ELECTRIC POWER COMPANY (MEPCO) UNDER REGULATION 4(8) & 4(9) OF THE NEPRA (FINE) REGULATIONS, 2021 FOR CHARGING OF DETECTION BILLS ON ACCOUNT OF SLOWNESS OF ENERGY METERS FOR MORE THAN TWO (2) BILLING CYCLES

ORDER

This Order shall dispose of the proceedings of show cause notice issued to Multan Electric Power Company (MEPCO) under Regulation 4(8) & 4(9) of the NEPRA (Fine) Regulations, 2021 on account of charging of detection bills for slowness of energy meters for more than two (2) billing cycles in violation of provisions of Consumer Service Manual (CSM).

2. In response to the various complaints received regarding detection bills due to slowness/ defectiveness of meters for more than two billing cycles, MEPCO was directed vide letter No. TCD. 10/4294-2022 dated August 04, 2022 to furnish division wise list/data of detection bills charged to the consumers on account of slowness of energy meters for more than two (02) billing cycles with effect from January, 2021. The required report was submitted by MEPCO vide letter No. 3078-79/MC-101/online dated August 25, 2022 whereby it was noted that 222 No. of consumers were charged detection bills on account of slowness in blatant disregard of relevant provisions of Consumer Service Manual (CSM). It was noticed that in some cases detection bills were charged from 08 to 20 months.

3. Accordingly, MEPCO was directed vide letter No. NEPRA/DG(CAD)/TCD-06/2105-06 dated February 07, 2023 to proceed as per following:

- (i) Adjust the detection bills issued in lieu of slowness/ defectiveness of energy meters for more than two billing cycles in future billing of the affected consumers.

Initiate proceedings against the delinquent officials as per MEPCO's services rules who violated provisions of the CSM.

Comply with the provisions of CSM in letter & spirit.



4. Furthermore, an Explanation was issued to MEPCO vide letter No. NEPRA/DG(CAD)/TCD-06/2091 dated February 07, 2023 for charging of detection bills to consumers on account of slowness of energy meters for more than two (02) billing cycles in violation of Clause 4.3 of CSM. In response to the above directions of NEPRA and subsequent Explanation, MEPCO vide its letter No. 3740/MC and 3739/MC dated March 14, 2023 submitted its replies. Following is the summary of the replies to the direction of the Authority and explanation, respectively:

a. Reply to the Directions of the Authority:

- i. Directions are issued time and again to ensure strict compliance of NEPRA Consumer Service Manual for detection charging and to curb over billing.
- ii. AMR meters sometimes show. Make/break slowness that is hard to detect through site checking, however when the slowness becomes noticeable one phase is completely zero, the slowness data is carefully analyzed from MDM and slowness is charged only for that duration when the meter remained slow. That's how, the exact duration of the slowness becomes more than two months and therefore, justified.
- iii. When the duration of detection is more than 02 months on the basis of meter slowness, disciplinary action is taken against the concerned officer/official.

b. Reply to the Explanation:

- i. It can be challenging to detect intermittent make/break slowness in AMR meters through site checking. However, if the slowness becomes noticeable, such as one phase being completely zero, the slowness is analyzed from MDM and only charge for the duration that the meter was actually slow. This method justifies slowness durations that exceed two months in actuality.
- ii. If the detection duration based on meter slowness exceeds two months, the responsible officer/official is subject to disciplinary action to ensure compliance with the CSM and maintain high-quality service standards.
- iii. Directions are issued persistently to ensure strict adherence to the CSM regarding detection charging and to prevent any over-billing issues.

5. The submissions of MEPCO were not acceded to and the response of MEPCO was found to be unsatisfactory. Therefore, the same was rejected by the Authority vide order dated August 01, 2023 and a Show Cause Notice was issued to MEPCO vide letter No. NEPRA/DG(CAD)/TCD-06/20266 dated August 01, 2023 for charging of detection bills to its consumers on account of slowness of energy meters for more than two (02) billing cycles in violation of relevant provisions of CSM. In response, MEPCO in its reply submitted through Rajwana & Rajwana Advocates vide letter Ref No. SCN/4(8) & 4(9) NEPRA/R&R dated September 06, 2023 and submitted the following for consideration:

- i. MEPCO categorically denies the violation of any of the provisions as alleged by the NEPRA in the Show Cause Notice (SCN) and affirms that it is abiding by the terms and conditions of its Distribution License, Consumer Service Manual in true sense.
- ii. Clause 4.4 (e) of the CSM runs counter to the provisions of Section 26(6) of the Electricity Act, 1910 in as much as, no period for the detection bill is provided in the said provision and therefore, the CSM through clause 4.4 (e) could not limit the period of detection bill.
- iii. The Supreme Court in an identical matter in the Civil Petition No.691 of 2020 whilst hearing the arguments has referred the matter to the NEPRA with the direction to re-examine and revisit Clause 4.4 of the CSM (now 4.3) after hearing all the DISCOs.
- iv. Issuance of the SCN in question on the similar issue is in direct contravention of the order passed by Supreme Court whereby NEPRA was directed to re-examine and revisit the Clause 4.3 of the CSM. In view of the above, NEPRA is requested to hold the instant SCN in abeyance till the decision/ compliance of Order passed by Honourable Court dated May 17, 2023.



- v. It is prayed that the instant reply may be accepted and the SCN dated August 01, 2023 may be held in abeyance till NEPRA revisits/ re-examines Clause 4.3 of CSM after hearing all the DISCOs including MEPCO, pursuant to Order dated 17-05-2023 passed in civil Petition No.691 of 2020.

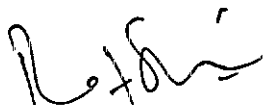
6. In order to proceed further, an opportunity of online hearing was provided to MEPCO on October 25, 2023. During the hearing, the CEO MEPCO reiterated MEPCO's earlier stance and submitted that MEPCO has always complied with the directions of the Authority and shall abide by all the provisions of Consumer Service Manual (CSM) in true letter and spirit. Moreover, all cases where the consumers have been charged detection bills on account of slowness of energy meters for more than two billing cycles in violation of CSM shall be revised and relief shall be provided to the affected consumers & action will be taken against the delinquent officials.

7. Meanwhile, pursuant to the Order of the Honorable Supreme Court of Pakistan dated 17.05.2023 in Civil Petition No. 691 of 2020, proceedings for the re-determination of the period of charging on account of slowness of the metering installation were underway and a hearing of the stakeholders was held at NEPRA on 13.07.2023. Accordingly, the determination / decision of the Authority dated June 13, 2024 regarding revisiting Clause 4.3 of the Consumer Service Manual (CSM)-2021 (previously Clause 4.4(e) of CSM-2010) was conveyed to all the Distribution Companies (DISCOs) for information and compliance, wherein no change was made and the period of charging of supplementary bills in case of meter slowness was restricted to two billing cycles.

8. Subsequently, MEPCO vide letter No. 2046-47/MC-101/Online dated January 23, 2025 has informed that in compliance with the directives of the Authority, due credit/ relief has been provided to the affected consumers as per details mentioned below:

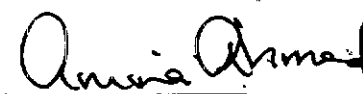
Revision of detection bills			
No.	Units charged (MKWH)	Units Revised (MKWH)	Action taken against Officers
204	2.1	0.181	59

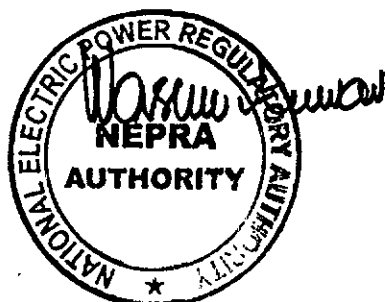
9. The Authority has duly reviewed / considered the submissions put forth by MEPCO and determined them to be satisfactory. Hence, the Authority hereby accepts response of MEPCO and concludes that there is no need for further proceedings in relation to the matter at hand.



(Rafique Ahmed Shaikh)
Member


(Engr. Maqsood Anwar Khan)
Member


Mathar Niaz Rana (nsc)
Member


(Amina Ahmed)
Member




(Waseem Mukhtar)
Chairman