



Before the Appellate Board  
National Electric Power Regulatory Authority  
(NEPRA)  
Islamic Republic of Pakistan

NEPRA Office, Atta Turk Avenue (East), G5/1, Islamabad  
Tel. No. +92 051 2013200 Fax No. +92 051 2600030  
Website: [www.nepra.org.pk](http://www.nepra.org.pk) E-mail: [office@nepra.org.pk](mailto:office@nepra.org.pk)

No. NEPRA/AB/Appeal-153/POI-2016/ *1778-1783*

November 29, 2017

- |   |   |
|---|---|
| 1. Muhammad Imran,<br>S/o Muhammad Abbas,<br>Prop: Plastic Factory, R/o Chak No. 197/RB,<br>Wahgay Wala, Tehsil & Distt. Faisalabad | 2. Chief Executive Officer<br>FESCO Ltd,<br>West Canal Road, Abdullahpur,<br>Faisalabad   |
| 3. Ch. Shahid Iqbal,<br>Advocate High Court,<br>Office No. 3, Third Floor,<br>Khan Arcade, Mouj Darya Road,<br>Lahore               | 4. Ch. Muhammad Imran Bhatti,<br>Advocate High Court,<br>44-District Courts,<br>Faisalabad  |
| 5. Sub Divisional Officer (Operation),<br>FESCO Ltd,<br>Gatwala Sub Division,<br>Faisalabad   | 6. Electric Inspector<br>Energy Department,<br>Govt. of Punjab,<br>Opposite Commissioner Office,<br>D.C.G Road, Civil Lines,<br>Faisalabad Region, Faisalabad |

Subject: Appeal Titled FESCO Vs. Muhammad Imran Against the Decision Dated 26.08.2016 of the Electric Inspector/POI to Government of the Punjab Faisalabad Region, Faisalabad

Please find enclosed herewith the Decision of the Appellate Board dated 24.11.2017, regarding the subject matter, for information and necessary action accordingly.

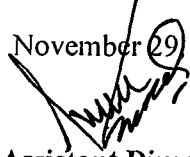
Encl: As Above

No. NEPRA/AB/Appeal-153/POI-2016/ *1784*

Forwarded for information please.

(Ikram Shakeel)

November 29, 2017

  
Assistant Director  
Appellate Board

1. Registrar

CC:

1. Member (CA)



# National Electric Power Regulatory Authority

## Before Appellate Board

In the matter of

Appeal No. NEPRA/Appeal-153/POI-2016

Faisalabad Electric Supply Company Limited

.....Appellant

Versus

Muhammad Imran S/o Muhammad Abbas, Prop: Plastic Factory,  
R/o Chak No.197/RB, Wahgay Wala, District Faisalabad

.....Respondent

For the appellant:

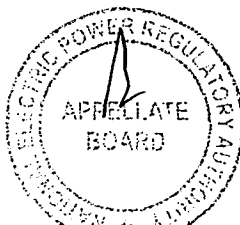
Ch. Muhammad Shahid Iqbal advocate

For the respondent:

Ch. Muhammad Imran Bhatti advocate

## DECISION

1. This decision shall dispose of the appeal filed by Faisalabad Electric Company Limited (hereinafter referred to as FESCO) against the decision dated 12.08.2016 of Provincial Office of Inspection/Electric Inspector, Faisalabad Region, Faisalabad (hereinafter referred to as POI).
2. Brief facts of the case are that the respondent is an industrial consumer of FESCO bearing Ref No.24-13133-5312200-U having sanctioned load of 122 kW and the applicable tariff is B-2b. Metering equipment of the respondent was checked by Metering and Testing (M&T) FESCO on 23.10.2014 and reportedly it was found 33% slow due to blue phase being dead and its date & time were also found disturbed.





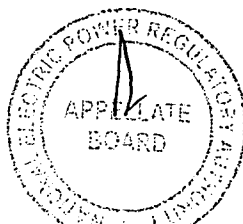
## National Electric Power Regulatory Authority

FESCO raised the multiplication factor (MF) from 40 to 59.6 w.c.f January 2015 and onwards till the replacement of the defective meter. Subsequently, a detection bill amounting to Rs.557,847/- for 29,243 units/178 kW MIDI for the period July 2014 to December 2014 (6 months) was charged by FESCO to the respondent in June 2015 on the basis of 33% slowness of the meter.

3. Being aggrieved, the respondent filed an application before POI on 25.06.2015 and challenged the afore-mentioned detection bill and the electricity bills for the period January 2015 to March 2015 charged with enhanced MF=59.6 due to 33% slowness of the meter. POI disposed of the matter vide its decision dated 12.08.2016, operative portion of which is reproduced below:

*“Summing up all the above observations/discussion and keeping in view all the aspects of the case this forum declares the detection bill amounting to Rs.557,847/- charged as arrears in bill for 06/2015 for 29,243 units and 178 kW MIDI for the period 07/2014 to 12/2014 as null, void and without legal effect and the consumer is not liable to pay the same. The Respondents are directed to withdraw the same and charge the consumer revised detection bill for the cost of 14132 units and 76 kW MIDI for two billing cycles from 11/2014 to 12/2014 and overhaul the petitioner’s account by adjusting all Credits, Debits, Deferred Amount & Payments already made by the consumer. However charging the bills on enhanced multiplication factor from 01/2015 till the replacement of the meter is correct. Disposed of in above terms”*

4. FESCO was dissatisfied with the afore-referred decision (hereinafter referred to as the

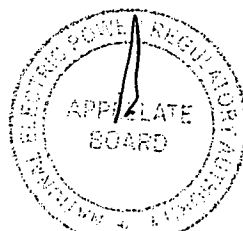




## National Electric Power Regulatory Authority

impugned decision), therefore filed the instant appeal under Section 38 (3) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (hereinafter referred to as the NEPRA Act 1997). In its appeal, FESCO objected the maintainability of the impugned decision and claimed that neither prior notice was served by the respondent to FESCO before approaching to POI for redressal of his grievance nor it was decided within statutory period (of 90 days) as envisaged under Section 26(6) of Electricity Act, 1910. On merits, FESCO submitted that the metering equipment of the respondent was checked by M&T on 23.10.2014 and the same was found 33% slow due to blue phase being dead. According to FESCO, the detection bill of Rs.557,847/- for 29,243 units/178 kW MDI for the period July 2014 to December 2014 (6 months) charged in June 2015 @ 33% slowness is legal, valid and justified and payable by the respondent. FESCO pointed out that POI neither recorded the evidence nor perused the relevant record /M&T report and based the impugned decision on mere surmises and conjectures without any justification and cogent reasons.

5. In response to the notice for filing reply/parawise comments to the appeal, the respondent submitted his reply on 29.11.2016. The respondent raised the preliminary objection regarding the limitation and contended that the appeal filed against the impugned decision is barred by time under NEPRA Act 1997 and liable to be dismissed on this ground alone. On facts, the respondent rebutted the stance of FESCO and contended that the meter of the respondent was functioning within BSS limits and no discrepancy was observed during the monthly readings. As per respondent, neither any

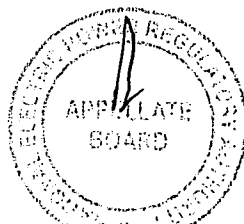




## National Electric Power Regulatory Authority

prior notice was served nor he was associated during the FESCO checking dated 23.10.2014, therefore the detection bill of Rs.557,847/- for 29,243 units/178 kW MDI for the period July 2014 to December 2014 (6 months) and the bills charged with enhanced MF=59.6 w.e.f January 2015 and onwards due to 33% slowness of the meter are unlawful and unjustified. The respondent prayed that the impugned decision is legal and justified, therefore liable to be upheld.

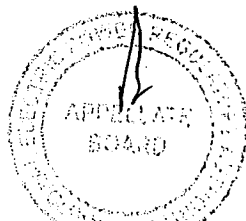
6. The appeal was heard in Lahore on 03.10.2017 in which both the parties participated. Learned counsel for FESCO reiterated its objection on the maintainability of the impugned decision as earlier narrated in memo of the appeal and contended that the impugned decision pronounced after expiry of 90 days became invalid pursuant to Section 26(6) of Electricity Act 1910. As per learned counsel for FESCO, metering equipment of the respondent was found 33% slow during M&T checking dated 23.10.2014, therefore the detection bill of Rs.557,847/- for 29,243 units/178 kW MDI for the period July 2014 to December 2014 (6 months) and enhancement in M.F w.e.f January 2015 and onwards till the replacement of meter are justified. As per FESCO, the impugned decision is not correct and liable to be withdrawn. On the other hand, learned counsel appearing for the respondent reiterated the same arguments as given in the respondent's parawise comments/reply to the appeal and pleaded for dismissal of the appeal.
7. We have heard arguments of both the parties and perused the record placed before us. Following are our observations:





## National Electric Power Regulatory Authority

- i. FESCO in its appeal raised the preliminary objection regarding the maintainability of the impugned decision pronounced by POI after 90 days as envisaged under Section 26(6) of Electricity Act 1910. In fact, the impugned decision was given by the POI under NEPRA Act 1997, which does not prescribe time limit for the disposal of the complaint. Restriction of 90 days under Electricity Act 1910 is relevant for Electric Inspector and cannot be made applicable to POI, which is a different entity. Objection of FESCO in this regard is not sustainable.
- ii. As regards the objection of the respondent regarding limitation, it is observed that copy of the impugned decision dated 12.08.2016 was delivered to FESCO on 16.08.2016 against which the appeal filed on 15.09.2016 is within time limit of 30 days as laid down in the NEPRA Act 1997. Objection of the respondent in this respect is not valid, therefore dismissed.
- iii. 33% slowness of the meter was detected by M&T FESCO on 23.10.2014. FESCO was required to either replace the defective meter with a healthy meter or raise the MF from 40 to 59.6 w.e.f November 2014 and onwards till the replacement but instead of that MF was enhanced to 59.6 by FESCO w.e.f January 2015 and onwards. Subsequently a detection bill of Rs.557,847/- for 29,243 units/178 kW MDI for the period July 2014 to December 2014 (6 months) was debited to the respondent in June 2015 @ 33% slowness. The respondent challenged the aforesaid detection bill and the bills with enhanced MF for the period January 2015 to March 2015 before POI vide his application dated 25.06.2015.



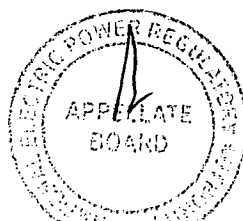


## National Electric Power Regulatory Authority

- iv. Pursuant to clause 4.4 (e) of Consumer Service Manual (CSM), the respondent is liable to be charged for maximum two billing cycles due to 33% slowness of the defective meter, whereas FESCO charged the detection bill for the period July 2014 to December 2014 (six months) on the basis of above slowness, which is violative of forgoing provision of CSM. Therefore we are inclined to agree with the determination of POI that the detection bill amounting to Rs.557,847/- for 29,243 units/178 kW MDI for the period July 2014 to December 2014 (6 months) charged to the respondent is unjustified and liable to be declared null and void.
- v. Since 33% slowness was noticed by FESCO on 23.10.2014, the respondent is liable to be charged the detection bill for September 2014 and October 2014 (2 months) on the basis of 33% slowness of the meter, which is worked out below:

Period : September 2014 and October 2014		
Description	Units (kWh)	MDI (kW)
(A) Already charged	16,400	89
(B) To be charged @ 33% slowness	=16,400 x 1.49 = 24,436	<del>89 x 1.49</del> 133
(C) = (B)-(A) Net chargeable	=24,336 - 16,400 = 8,036	<del>133 - 89</del> 44

- vi. Since the meter remained 33 % slow for the months November 2014 and onwards, therefore the respondent is liable to be charged the detection bill for November 2014 and December 2014 @ 33 % slowness as decided by POI.





## National Electric Power Regulatory Authority

- vii. There is no force in the version of the respondent regarding the bills charged with enhanced MF=59.6 w.e.f. January 2015 and onwards till the replacement of the meter as the meter was 33% slow. The aforesaid bills for January 2015 and onwards charged to the respondent by FESCO are justified and payable as already determined in the impugned decision.
8. In view of discussion in preceding paragraphs, we have reached to the conclusion that:
- The detection bill amounting to Rs.557,847/- for 29,243 units/178 kW MDI for the period July 2014 to December 2014 (6 months) is unjustified, therefore cancelled as already determined in the impugned decision.
  - The respondent should be charged the detection bill of 8,036 units/44 kW MDI for the period September 2014 and October 2014.
  - The electricity bills with enhanced MF=59.6 due to 33% slowness of the meter should be charged by FESCO to the respondent from November 2014 and onwards till the replacement of the meter.
9. Impugned decision is modified in above terms.

Muhammad Qamar-uz-Zaman  
Member

Nadir Ali Khoso  
Convener

Muhammad Shafique  
Member

Dated: 24.11.2017

