



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

NEPRA Office , Ata 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/017/POI/2021//307


November 18, 2022

- |   |   |
|---|---|
| 1. Nasir Lal,<br>S/o. Lal Khan,<br>R/o. Chak No. 137/JB,<br>Nachanyanwala, Chiniot-III  | 2. Chief Executive Officer<br>FESCO Ltd,<br>West Canal Road, Abdullahpur,<br>Faisalabad |
| 3. Dr. Muhammad Irtiza Awan,<br>Advocate High Court,<br>Al-Majeed Centre, 1-Mozang Road,<br>38-Link Farid Kot Road, Lahore                                      | 4. Sub Divisional Officer,<br>FESCO Ltd,<br>Chiniot-III Sub Division,<br>Chiniot        |
| 5. POI/Electric Inspector,<br>Energy Department, Govt. of Punjab,<br>Opposite Commissioner Office,<br>D.C.G Road, Civil Lines,<br>Faisalabad Region, Faisalabad |   |

Subject: **Appeal Titled FESCO Vs. Nasir Lal Against the Decision Dated 17.08.2020 of the Provincial Office of Inspection to Government of the Punjab Faisalabad Region, Faisalabad**

Please find enclosed herewith the decision of the Appellate Board dated 14.11.2022, regarding the subject matter, for information and necessary action accordingly.

Encl: **As Above**

  
(Ikram Shakeel)  
Deputy Director (M&E)/  
Appellate Board

Forwarded for information please.

1. Additional Director (IT) –for uploading the decision on NEPRA website



# National Electric Power Regulatory Authority

## Before The Appellate Board

In the matter of

### Appeal No.017/POI-2021

*Faisal Lal* Electric Supply Company Limited .....Appellant

Versus

Nasir Lal S/o Lal Khan, R/o Chak No.137/JB,  
Nachanyanwala, Chiniot-III .....Respondent

## APPEAL U/S 38(3) OF REGULATION OF GENERATION, TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997

For the Appellant:  
Dr. Irtiza Awan Advocate

For the Respondent:  
Nemo

### DECISION

1. Through this decision, the appeal filed by the Lahore Electric Supply Company Limited (hereinafter referred to as the "Appellant") against the decision dated 17.08.2020 of the Provincial Office of Inspection, Lahore Region, Lahore (hereinafter referred to as the "POI") is being disposed of.
2. Briefly speaking, Mr. Nasir Lal (hereinafter referred to as the "Respondent") is an agricultural consumer of FESCO (hereinafter referred to as the "Appellant") bearing Ref No.2313163-3026706 with a sanctioned load of 7.46 kW and the applicable Tariff category is D-1b. The Appellant has claimed that the billing meter of the





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Respondent was found 33% slow due to the red dead phase during the Metering and Testing (M&T) checking on 06.11.2019. Slow meter of the Respondent was replaced with a new meter by the Appellant on 21.11.2019 and sent to the M&T laboratory for data retrieval. Later on, the Appellant charged a detection bill (first detection bill) of Rs.31,896/- against 3,528 units for three months i.e. August 2019 to October 2019 to the Respondent in December 2019, which was paid by him under protest to avoid disconnection of electricity. Subsequently, M&T vide report dated 16.12.2019 declared the disputed billing meter of the Respondent as 66% slow due to the two phases being dead. Resultantly, another detection bill (second detection bill) of Rs.142,221/- for 12,391 units for four months for the period August 2019 to November 2019 was debited to the Respondent @ 66% slowness of the meter and added to the bill for March 2020.

3. Being aggrieved, the Respondent assailed the second detection bill before the POI. The complaint of the Respondent was disposed of by the POI vide the decision dated 17.08.2020, wherein the second detection bill of Rs.142,221/- for 12,391 units for four months for the period August 2019 to November 2019 charged to the Respondent was declared null and void. However, the Appellant was directed to charge the revised detection bill for net 2,197 units to the Respondent due to the 33% slowness of the meter.
4. Through the instant appeal, the afore-referred decision dated 17.08.2020 of the POI has been impugned by the Appellant before the NEPRA. As per the Appellant, the impugned meter of the Respondent was found 33% slow during checking dated 06.11.2019, therefore first detection bill of 3,528 units for the period August 2019



to October 2019 was debited to the Respondent. According to the Appellant, the impugned meter was found 66% slow due to two dead phases during the M&T checking dated 16.12.2019, hence the second detection bill of Rs.142,221/- for the cost of 12,391 units for four months for the period August 2019 to November 2019 was issued to the Respondent. The Appellant contended that the POI has not thrashed out the consisting reasons in the matter and passed the illegally impugned decision. The Appellant further contended that the POI failed to advert the real aspects of the cases, therefore the impugned decision is illegal and void. The Appellant submitted that the above detection bill is quite legitimate and the Respondent is liable to pay the same. The Appellant finally prayed for setting aside the impugned decision.

**5. Proceedings by the Appellate Board**

5.1 Upon filing of the instant appeal, a notice dated 29.01.2021 was sent to the Respondent for filing reply/para-wise comments to the appeal within ten (10) days. However, no reply was received from the Respondent.

**6. Hearing**

6.1 Hearing in the matter of the subject Appeal was initially fixed for 17.06.2022 at Lahore and accordingly, the notices dated 08.06.2022 were sent to the parties (i.e. the Appellant and the Respondent) to attend the hearing. As per schedule, the hearing of the appeal was conducted at the NEPRA Regional Office Lahore on 17.06.2022, which was attended by learned counsel for the Appellant, however, no one appeared for the Respondent. Hence the hearing was adjourned till the next date.



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6.2 After issuing notices dated 15.08.2022 to both the parties, hearing of the subject appeal was again fixed at the NEPRA Regional Office Lahore on 23.08.2022 in which no one entered an appearance for the Respondent, whereas a counsel appeared for the Appellant. Since the Respondent failed to attend the hearing despite repeated notices; therefore hearing of the Appellate Board proceeded in the absence of the Respondent.

6.3 Learned counsel for the Appellant reiterated the same version as contained in the memo of the appeal and contended that 33% slowness was reported in the billing meter of the Respondent on 06.11.2019, therefore first detection bill of 3,528 units for the period August 2019 to October 2019 was charged to the Respondent, which was paid by him accordingly. Learned counsel for the Appellant further contended that the slow meter of the Respondent was replaced with a new meter on 21.11.2019 and sent to the M&T laboratory for downloading data, which declared the meter under dispute as 66% slow due to two phases being dead vide report dated 16.12.2019. As per learned counsel for the Appellant, the second detection bill of Rs.142,221/- for the cost of 12,391 units for four months for the period August 2019 to November 2019 was charged to the Respondent based on the M&T report dated 16.12.2019. Learned counsel for the Appellant averred that the dip in consumption data during the disputed period i.e. August 2019 to November 2019 confirms 66% slowness in the billing meter, hence the above detection bill is justified and payable by the



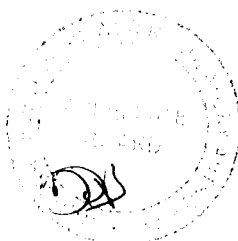


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Respondent. Learned counsel for the Appellant prayed that the impugned decision is unjustified and liable to be struck down.

7. Arguments heard and the record perused. Following are our observations:

- 7.1 The facts submitted before us transpire that the Appellant found the metering equipment of the Respondent 33% slow and charged the first detection bill for 3,528 units for three months i.e. August 2019 to October 2019, which was paid by him. Later on, second detection bill of Rs.142,221/- for 12,391 units for four months for the period August 2019 to November 2019 was issued to the Respondent on the basis of M&T report dated 16.12.2019, which was assailed by him before the POI.
- 7.2 POI vide impugned decision reduced the detection bill from 12,391 units to 2,197 units. The Appellant has filed this appeal defending the four months detection bill charged to the Respondent and prayed for setting aside the impugned decision.
- 7.3 The slowness in the metering equipment was allegedly discovered by the Appellant on 06.11.2019 and the second detection bill of Rs.142,221/- for the cost of 12,391 units for the period August 2019 to November 2019 was issued to the Respondent in March 2020. Therefore the matter will be dealt with under the Consumer Service Manual-2010 (the "CSM-2010"), which is binding upon the distribution companies while extending the service to the Consumers. Clause 4.4 of the CSM-2010 enumerates the procedure to confirm the defect in the metering equipment and charge the consumer on the basis of defective code. Sub-clauses (b), (c), and (e) of Clause 4.4 of the CSM-2010 being relevant in



the instant are reproduced below:

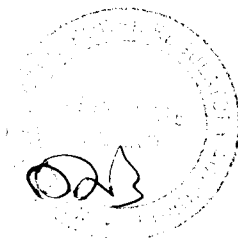
#### **"4.4 Meter Replacement**

*(b) Should the FESCO at any time, doubt the accuracy of any metering equipment, the FESCO may after informing the consumer, install another duly calibrated and tested metering equipment in series with the impugned metering equipment to determine the difference in consumption or maximum demand recorded by the check metering equipment and that recorded by the impugned metering equipment during a fixed period. If one such comparative test being made the impugned metering equipment should prove to be incorrect, the impugned metering equipment shall be removed from the premises with the written consent of the consumer, and the FESCO in the absence of any interference or alteration in the mechanism of the impugned metering equipment being detected by the FESCO shall install "correct meter" without any further delay.*

*(c) Where it is not possible for the FESCO to install check metering equipment of appropriate capacity in series with the impugned metering equipment, to check the accuracy of the impugned metering equipment as described above, the FESCO shall, after informing (in writing) the consumer, test the accuracy of the impugned metering equipment at site by means of Rotary Sub-Standard or digital power analyzer. If incorrect, the impugned metering equipment shall be removed and immediately replaced upon settlement/payment of assessed amount. In case if a correct meter is not FESCO available then the multiplying factor shall be charged accordingly till the replacement with correct meter.*

*(e) The charging of consumers on the basis of defective code, where the meter has become defective and is not recording the actual consumption will not be more than two billing cycles. The basis of charging will be % of the consumption recorded in the same month of the previous year or the average consumption of the last 11 months whichever is higher. Only the Authorized employee of FESCO will have the power to declare a meter defective. However, the consumer has a right to challenge the defective status of the energy meter and the FESCO will get the meter checked at the site with a check meter or a rotary sub-standard or digital power analyzer accompanied by an engineer of the metering and testing laboratory free of cost.*

Under sub-clause 'b' above, upon doubt about the accuracy of the metering equipment of the Respondent, the Appellant was required to install a check metering equipment, after informing the Consumer, to determine the difference



in consumption or maximum demand recorded by the check metering equipment and the impugned metering equipment during a fixed period. In case of confirmation of defect/slowness in the impugned meter, the same was required to be removed with the written consent of the Consumer.

7.4 Alternatively, the Appellant was required to follow the procedure given in sub-clause (c) of Clause 4.4 of the CSM-2010, which stipulates the checking of metering equipment after informing (in writing) the consumer, by means of Rotary Sub-standard or digital power analyzer.

7.5 As per the record presented before us, there is no evidence that the Appellant followed the procedure either under sub-clause (b) or sub-clause (c) of the CSM-2010.

7.6 The Appellant has claimed that the metering equipment was checked in presence of the Respondent, however, the Test check proforma dated 06.11.2019 as submitted by the Appellant is not signed by the Respondent. The essence of the said clause of the CSM-2010 is to take the consumer on board while testing the accuracy of the metering equipment through a transparent method, either installation of a check meter, or Rotary Sub Standard, or digital Power Analyzer. If the stipulated procedure was adopted by the Appellant in letter and spirit, the dispute could be avoided. However, disregard for the applicable law has diminished the credibility of the Appellant's claim about the defect.

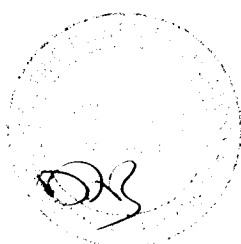
7.7 The Appellant claimed to have discovered the fault in the Respondent's meter on 06.11.2019. In the absence of verifiable evidence, the consumption data of

the Respondent could help to confirm any abrupt variation/drop in the consumption pattern. The consumption data of the Respondent is compared in the table given below:

Consumption Analysis			
Period before dispute		Disputed period	
Month	Units	Month	Units
Aug-18	7977	Aug-19	3352
Sep-18	3407	Sep-19	2145
Oct-18	1552	Oct-19	1667
Nov-18	3022	Nov-19	1301
		Already charged	8465
		Chargeable units after adding 66% slowness	$\frac{\text{Already charged units}}{(1-66\% \text{ slowness})}$ $= \frac{8,465}{(1-0.66)}$
<b>Total</b>	<b>15958</b>	<b>Total</b>	<b>24,897</b>

7.8 The above consumption data analysis does not support the contention of the Appellant regarding 66% slowness of the impugned meter of the Respondent. The Appellant has raised the second detection bill for four months i.e. August 2019 to November 2019 without putting forth any cogent legal or technical reason and in violation of Clause 4.4(e) of the CSM-2010. Under these circumstances, the second detection bill of Rs.142,221/- for 12,391 units for the period August 2019 to November 2019 charged to the Respondent by the Appellant is unjustified and the same should be cancelled. The impugned decision is maintained to this extent.

7.9 The Appellant has challenged the impugned decision before the NEPRA through the instant appeal. The Respondent was given the opportunity to file its para-wise comments to the Appeal and also attend the hearing to present his views before the Appellate Board. However, the Respondent neither submitted





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written comments nor attended the hearing. Since we have not seen objections by the Respondent to the impugned decision, we are constrained to assume that 33% slowness in the impugned meter as allowed by the POI is admitted by the Respondent.

7.10 Since the slowness of the meter was noticed on 06.11.2019 and it was replaced with a new meter on 21.11.2019, hence it would be fair and appropriate to revise the bills for two previous months i.e. September 2019 and October 2019, and the bill for the period 06.11.2019 to 21.11.2019 (15 days) with enhanced MF=1.49 due to 33% slowness of the meter. In this regard, the calculation of the revised bill is done the below table:

### Period: September 2019 to 21.11.2019

A. Total units already charged	= Sep-2019 + Oct-2019 + (06.11.2019 to 21.11.2019) $2,145 + 1,667 + \frac{1,301 \times 15}{30} = 4,463$ units
B. Units to be charged	= Total units already charged x Enhanced MF = 4,463 x 1.5 = 6,694 units
C. Net Units to be charged	= (B)-(A) = 6,694 - 4,463 = 2,231 units

7.11 Hence the Respondent is liable to be charged the bill of net 2,231 units for the period from September 2019 to 21.11.2019. The impugned decision is liable to be modified to this extent.

8. In view of what has been stated above, it is concluded that the second detection bill of Rs.142,221/- for 12,391 units for four months for the period August 2019 to November 2019 is cancelled. However, the Appellant may charge revised bill of net





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2,231 units for September 2019 till 21.11.2019.

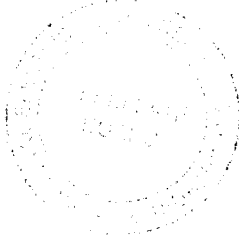
9. The impugned decision is modified in the above terms.

*my note attached* *Y*  
Syed Zavar Haider  
Member

*Abid Hussain*  
Abid Hussain  
Convener


*Muhammad Irfan-ul-Haq*  
Muhammad Irfan-ul-Haq  
Member

Dated: 14/11/2022



Under Clause 4.4(C) of CSM-2010, the right course of action for the Appellant was to replace the slow meter with the correct one immediately upon confirmation of slowness. Otherwise, the Appellant should have increased the Multiplying Factor (MF) proportionally to make-up for the 33% slowness till the replacement of defective meter. As per table given Under Clause 4.4(e) of CSM-2010, defective changing on the basis of slowness of meter is allowed upto two billing cycles for regular bills while **no previous charging** is allowed. Further, the 'Note' given under Chapter 9 of CSM-2010 further strengthens the assertion that for any fault in the meter due to normal atmosphere effects or some internal fault for which the consumer cannot be held responsible, DISCOs cannot charge Detection Bill. **[emphasis added]**

Therefore, under the above provisions of CSM-2010, explicitly prohibiting pervious charging, detection bill for previous months on account of meter slowness cannot be allowed. In the instant case, the slowness was observed on 06.11.2019 while the meter was replaced on 21.11.2019. Therefore, in accordance with the Clause 4.4(c) of the CSM-2010, the Appellant can charge the Consumer with the enhanced MF for 15 days i.e. from 06.11.2019 to 21.11.2019

  
(Syed Zavar Haider)  
Member

