



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

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No. NEPRA/AB/Appeal/221/POI/2019/ 030


January 11, 2022

- |   |   |
|---|---|
| 1. Ali Husnain,<br>S/o. Ghulam Muhammad,<br>R/o. Chak No. 185/GB,<br>Tehsil & District Toba Tek Singh   | 2. Chief Executive Officer<br>FESCO Ltd,<br>West Canal Road, Abdullahpur,<br>Faisalabad |
| 3. Mian Muhammad Javed,<br>Advocate Supreme Court,<br>4-Link Farid Kot Road,<br>Lahore  | 4. Sub Divisional Officer,<br>FESCO Ltd,<br>Kamalia Rural Sub Division,<br>Kamalia      |
| 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. Ali Husnain Against the Decision Dated 29.03.2019 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 03.01.2022, 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. Director (IT) –for uploading the decision on NEPRA website



## National Electric Power Regulatory Authority

### Before Appellate Board

In the matter of

### Appeal No. 221/POI-2019

Faisalabad Electric Supply Company Limited .....Appellant

Versus

Ali Hussain S/o Ghulam Muhammad R/o Chak No.185/GB,  
Tehsil & District Toba Tek Singh .....Respondent

**APPEAL UNDER SECTION 38(3) OF REGULATION OF GENERATION,  
TRANSMISSION, AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997  
AGAINST THE DECISION DATED 29.03.2019 PASSED BY PROVINCIAL  
OFFICE OF INSPECTION FAISALABAD REGION, FAISALABAD**

For the Appellant:

Mian Muhammad Javaid Advocate  
Muhammad Nadeem LS

For the Respondent:

Mr. Pervaiz Akhtar Baloch

### DECISION

1. Through this decision, an appeal filed by Faisalabad Electric Supply Company Limited (hereinafter referred to as the FESCO) against the decision dated 29.03.2019 of the Provincial Office of Inspection, Faisalabad Region, Faisalabad (hereinafter referred to as the POI) is being disposed of.
2. FESCO is a licensee of the National Electric Power Regulatory Authority (hereinafter referred to as the NEPRA) for the distribution of electricity in the territory specified as per terms and conditions of the license and the Respondent is







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its agricultural consumer bearing Ref No.29-13372-0103605 with a sanctioned load of 19 kW under the D-1(b) Tariff category. The billing meter of the Respondent became 33% slow in October 2013, for which notice dated 29.10.2013 was served to the Respondent. Said slowness in the billing meter of the Respondent was subsequently confirmed by the Metering and Testing (M&T) FESCO on 14.05.2014. Later on, the FESCO charged a detection bill amounting to Rs.98,754/- for 9,451 units for the period from September 2012 to October 2013 (12 months) to the Respondent on the recommendation of the Audit Party vide the Audit Note No.46 dated 01.01.2015.

3. Being dissatisfied, the Respondent filed a suit in Civil Court Toba Tek Singh and challenged the above detection bill. After several rounds of litigation in different courts, the Honorable Lahore High Court Lahore referred the matter to the POI for adjudication. Accordingly, the Respondent approached the POI on 04.12.2018 against the charging of the above detection bill. The matter was disposed of by the POI vide decision dated 29.03.2019 (the impugned decision), wherein the detection bill of Rs.98,754/- for 9,451 units for the period, September 2012 to October 2013 (12 months) charged by the FESCO was declared as null and void. The FESCO was further directed to overhaul the billing account of the Respondent, accordingly.
4. Aggrieved with the impugned decision, the FESCO filed the instant appeal before the NEPRA. In its appeal, the FESCO prayed to strike down the impugned decision on the following grounds; (1) the impugned decision is against the law and facts; (2) the POI did not apply his independent and judicious mind while rendering the







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impugned decision; (3) the FESCO is suffering irreparable loss due to the impugned decision; and (4) the POI had not thrashed out the consisting reasons of the FESCO in the matter.

5. Upon notice, the Respondent filed written reply/para-wise comments to the appeal on 30.12.2020. In his reply, the Respondent explained that the meter became defective in October 2013 and the onwards bills with raised MF=1.4 were debited to the Respondent. As per the Respondent, the FESCO illegally debited the detection bill of Rs.98,754/- for 9,451 units for the period September 2012 to October 2013 (12 months) based on Audit Note No.46 dated 01.01.2015. According to the Respondent, the impugned decision is according to the law and policy of the NEPRA and the FESCO had not suffered any irreparable loss. The Respondent finally prayed for the dismissal of the appeal.
6. The hearing in the matter was held at the NEPRA Regional Office Lahore on 26.11.2021 which was attended by both the parties. Regarding the point of limitation, learned counsel for the FESCO submitted that copy of the impugned decision dated 29.03.2019 was recieved by the FESCO on 12.04.2019 and the appeal was filed before the NEPRA on 13.05.2019 within the prescribed time limit as per the NEPRA Act 1997. On merits, the FESCO reiterated the same contentions as given in memo of the appeal and stated that the 33% slowness in the billing meter of the Respondent was observed in October 2013 and confirmed by the M&T FESCO on 14.05.2014, therefore the detection bill of Rs.98,754/- for 9,451 units for the period September 2012 to October 2013 (12 months) was charged by the







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FESCO vide the Audit Note No.46 dated 01.01.2015. Learned counsel for the FESCO defended the charging of above detection bill and prayed to accept the appeal. On the other hand, the representative for the Respondent averred that the billing meter became 33% slow in October 2013 due to one dead phase for which FESCO charged the detection bill of 340 units for one month after the approval of the competent authority, therefore, there is no justification to debit the detection bill of Rs.98,754/- for September 2012 to October 2013 [twelve (12) months]. The representative for the Respondent argued that the detection bill is recoverable only for one month as per the NEPRA Act 1997. The representative for the Respondent supported the impugned decision and prayed for its maintainability.

7. Argument heard and the record examined. Following are our observations:

- i. The billing meter of the Respondent became 33% slow in October 2013, therefore, the FESCO charged a detection bill of Rs.98,754/- for 9,451 units for the period September 2012 to October 2013 (12 months) to the Respondent as per the Audit Note No.46 dated 01.01.2015, which was disputed before the POI.
- ii. It is observed that FESCO charged the above detection bill for a period of 12 months i.e. September 2012 to October 2013 to the Respondent at the rate of 33% slowness of the billing meter, which is violative of Clause 4.4 of the Consumer Service Manual (CSM). Said Clause of the CSM allows the FESCO to recover the detection bill maximum for two (2) months in case of a slow meter. It is further observed that the above-said detection bill was







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debited to the Respondent on the basis of the Audit recommendation. Audit para is an internal matter between the FESCO and the Audit Department and the Respondent cannot be held responsible for payment of any detection bill on the recommendation of the Audit Department. In this regard, reliance is placed on the cases reported in 2014 MLD 1253 titled M/s. Mehmood Textile Mills v/s MEPCO and 2008 YLR 308 titled WAPDA v/s Fazal Karim. Besides, the Respondent was neither associated during the audit proceedings nor any prior notice was served by the FESCO. In view of the above discussion, we hold that the detection bill of Rs.98,754/- for 9,451 units for the period September 2012 to October 2013 (12 months) charged to the Respondent as per the Audit Note No.46 dated 01.01.2015 is unjustified, illegal, incorrect and the same is liable to be withdrawn.

iii. Admittedly, 33% slowness due to the one dead phase of the billing meter of the Respondent was observed in October 2013, therefore, it would be judicious to charge the detection bill maximum for two (2) months i.e. August 2013 and September 2013 as per Clause 4.4 of the CSM. The impugned decision is liable to be modified to this extent.

8. In view of what has been stated above, we reached the conclusion that the detection bill of Rs.98,754/- for 9,451 units for the period September 2012 to October 2013 (12 months) charged to the Respondent as per the Audit Note No.46 dated 01.01.2015 is unjustified and the same should be withdrawn. The Respondent should be charged the detection bill maximum for two (2) months i.e. August 2013





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and September 2013 as per Clause 4.4 of the CSM. The billing account of the Respondent may be overhauled after adjusting payments made against the above detection bill.

9. The appeal is disposed of in the above terms

Abid Hussain  
Member/Advisor (CAD)

Nadir Ali Khoso  
Convener/Senior Advisor (CAD)

Dated: 03.01.2022

